

**M A N I T O B A** ) **Order No. 28/15**  
)  
**THE PUBLIC UTILITIES BOARD ACT** ) **March 2, 2015**

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

**ORDER ADDRESSING MANITOBA KEEWATINOWI OKIMAKANAK, INC'S (MKO)  
APPLICATION TO REVIEW AND VARY BOARD ORDER 18/15 DATED FEBRUARY 9, 2015  
IN RESPECT OF THE SCOPE OF MKO'S INTERVENTION INTO  
MANITOBA HYDRO'S GENERAL RATE APPLICATION**

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## 1.0 Executive Summary

By this Order, the Public Utilities Board (Board) denies Manitoba Keewatinowi Okimakanak's (MKO) February 18, 2015 Application to Review and Vary the Board's decisions in Order 18/15 with respect to MKO's intervener status in Manitoba Hydro's 2013/14 and 2014/15 General Rate Application hearing.

## 2.0 Procedural History

On January 16, 2015 and January 23, 2015, Manitoba Hydro filed its materials for a General Rate Application (GRA). On February 3, 2015, MKO applied to intervene in the GRA and filed its Intervener Request Form. Additionally, during the Pre-Hearing Conference on February 5, 2015, MKO filed a copy of the first page of its Intervener Request Form related to Manitoba Hydro's April 1, 2014 Interim Rate Application and made oral submissions regarding its request for intervener status.

In Order 18/15 the Board approved MKO to intervene on only the following issues:

- *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; and*
- *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 Order 18/15, the Board also indicated three issues on which MKO was not approved to intervene:

- *MKO is not approved to intervene on the '2 meters per Manitoba Hydro employee house north of the 53rd 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.*

On February 18, 2015 MKO applied to the Board, by way of a letter, to 'Review and Vary' the decisions the Board made in Order 18/15. Specifically, the Review and Vary application sought Board approval for MKO to intervene on the above cited three issues which were expressly excluded from the approved scope of MKO's intervention.

### **3.0 MKO's Review and Vary Request**

Having considered MKO's February 18, 2015 letter as an Application to Review and Vary the Board's decisions in Order 18/15, the Board adjudicated the Application pursuant to the Board's Rule 36.

The Board considered, in respect of MKO's Application, the preliminary questions as to whether the matter should be reviewed and whether there was reason to believe the decisions should be rescinded, changed, altered or varied.

The Board is of the opinion that MKO has not raised a substantial doubt as to the correctness of the Board's decisions.

The Board is also of the opinion that MKO has not raised any new facts or a change in circumstances that could lead the Board to materially vary or rescind the Board's decisions.

If, during the GRA proceeding, the Board is made aware of new facts or a material change in circumstances, which impact the decisions contained in Order 18/15, the Board, on its own initiative, can review, rescind, change, alter or vary the decisions contained in Order 18/15.

**4.0 IT IS THEREFORE ORDERED THAT:**

MKO's Application to Review and Vary the Board's decisions, as to the '2 meters issue and the Cost of Service Study Methodology in respect of the Diesel Zone customers and an MKO Ratepayer Panel, **BE AND IS HEREBY DENIED.**

Board decisions may be appealed in accordance with the provisions of Section 58 of *The Public Utilities Board Act*, or reviewed in accordance with Section 36 of the Board's Rules of Practice and Procedure. The Board's Rules may be viewed on the Board's website at [www.pub.gov.mb.ca](http://www.pub.gov.mb.ca).

THE PUBLIC UTILITIES BOARD

"Régis Gosselin, B ès Arts, CGA, MBA"

Chair

"Kurt Simonsen"

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Associate Secretary

Certified a true copy of Order No. 28/15  
issued by The Public Utilities Board

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Associate Secretary