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VIA EMAIL

Public Utilities Board of Manitoba
400 – 330 Portage Avenue
Winnipeg, MB R3C 0C4

Attention: Darren Christle

Dear Sir:

**Re: Pre-Ask: GSS/GSM
Manitoba Hydro's Cost of Service Study Methodology Review
Our File: 16028**

We are in receipt of Manitoba Hydro's letter of today's date providing its position with respect to the pre-asks that have been submitted by GSS/GSM. In that regard, I have the following comments:

Dave Hill
Bob Sokalski
Sherri Walsh
Derek M. Olson
Christian Monnin
Kevin D. Toyne
Michael J. Weinstein
Rohith Mascarenhas
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Danielle R. Burke
(Articling Student)

Counsel:

Hon. Peter S.
Morse, Q.C. (Retired)

Hon. Richard J.
Scott, O.C. O.M. Q.C.

- In the first paragraph of its letter Manitoba Hydro states the “*the majority of the questions submitted do not request clarifications to answers to Information Requests but rather request a detailed analysis, a comprehensive review of specific components of the model or are questions to which information had already been provided on the record.*” In that regard, it is submitted that in the spirit of the upcoming workshops, it would be most helpful if Manitoba Hydro could please identify which pre-ask question fall under these categories, namely (i) a request of a detailed analysis; (ii) a comprehensive review of specific components of the model; (iii) questions to which information has already been provided on the record.
- In addition, in the same paragraph, Manitoba Hydro has also indicated that it can advise that it will not be in a position to provide responses to a majority of these questions during the course of the workshops being held from May 11, 2016. In that regard, it would again be most helpful if Manitoba Hydro could identify the pre-asks that fall into the category of the “*majority of these questions*” that it will not be able to answer during the workshop. It is respectfully submitted that such a scenario not only assists in streamlining the upcoming workshops, but is also contemplated by Order No. 26/16 where the Board states that if Manitoba Hydro is not in a position to provide satisfactory answers at the workshops, it is to provide Undertakings to be answers in writing.

- In the second paragraph, on the second page, Manitoba Hydro suggests that the pre-asks that have been provided should have been posed as first round Information Requests. Although we respectfully disagree with this assertion, it is important to keep in mind the procedural history of this matter:
 - On March 7, 2016 Manitoba Hydro wrote to the PUB setting out its positions with respect to the proposed Intervenor budgets. With respect to the proposed budget for GSS/GSM, Manitoba Hydro stated as follows: “[...] *the total hours for expert’s consultants for GSS/GSM are estimated to be 256 hours, at a weighted blended hourly rate of \$350.50 USD per hour (which equates to approximately \$469.00 CAD per hour). The hourly rates for these consultants are much higher than the maximum fee allowed by the PUB, **and as such should not be approved as budgeted.***” [Emphasis Added]
 - The Round 1 Information Requests deadline was March 24, 2016.
 - The GSS/GSM budget wasn’t approved until April 4, 2016. It was at that time that the Consultants were retained.
- Further, in the same paragraph, Manitoba Hydro states that “[...] *information being requested in a number of the questions posed can be found by reviewing Manitoba Hydro’s submission and the responses to Information Requests already provided.*” Perhaps, the most confounding of that assertion is that it seems to run contrary to the objections set out in the opening paragraph of its letter, where Manitoba Hydro states the majority of the questions submitted do not request clarification to answers to Information Requests. However, again, to the extent that the pre-asks is information that can be found in the submission and/or responses to Information Requests, it would be indeed most helpful, (and in the spirit of the workshops), if Manitoba Hydro could identify which pre-asks fall into these categories and clarify where that information can be found.
- Finally, to the extent that the information being requested can be found by reviewing Manitoba Hydro’s submission and the responses to Information Requests already provided (as suggested by Manitoba Hydro) then this is exactly what was contemplated by Order No. 26/16 where it states (at page 17, paragraph 3):

*Following the receipt of answers to Information Requests, Manitoba Hydro is to hold a facilitated workshop at which parties will be **able to ask any clarifying questions** related to answers to Information Requests **or** Manitoba Hydro’s filing.*

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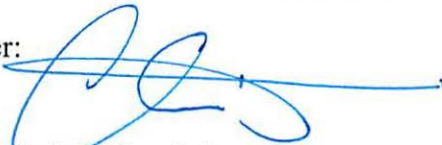
- Not only does the Order not limit an Intervener's questions to its own Information Requests, it also specifically permits questions with respect to Hydro's filing. That is exactly what the pre-asks set out to do.

To the extent that direction is required from the PUB on this matter, I am prepared to make submissions in that regard. In addition to the pre-asks that have been submitted, the GSS/GSM Intervener reserves its right to ask further questions at the workshops.

Yours truly,

HILL SOKALSKI WALSH OLSON LLP

Per:



Christian Monnin*

CM/jm

*c.c. Manitoba Hydro
Intervenors*

** services provided by Christian Monnin Law Corporation*