



September 26, 2016

Via Email

REFERENCE NO:

Mr. D. Christle
Secretary and Executive Director
Public Utilities Board
400-330 Portage Avenue
Winnipeg, Manitoba R3C 0C4

PLEASE REPLY TO:

Terrance DeLaronde

DIRECT LINE:

204-925-5351

EMAIL:

tdelaronde@darcydeacon.com

Dear Mr. Christle:

Re: Cost of Service Study Methodology Review

Please accept this correspondence to highlight the position of the Manitoba Metis Federation (the "MMF") with respect to the Manitoba Public Utilities Board's (the "Board") Cost of Service Study Methodology Review ("COSS").

The MMF is the democratically-elected representative of the Metis Nation's Manitoba Metis Community. The MMF promotes the political, social, cultural, and economic interests and rights of the Metis in Manitoba. In addition, the MMF delivers programs and services, including: child and family services, justice, housing, youth, education, human resources, economic development and natural resources. As the Metis government in Manitoba, the MMF represents more than 100,000 citizens of the Metis Nation.

For more than a decade, the MMF has worked toward the development of a positive relationship with Manitoba Hydro. The relationship was crystallized in the signing of the Kwaysh-kin-na-mihk la paazh (Turning the Page) Agreement in 2014 and since that time, the MMF has continued to work with Manitoba Hydro to address the concerns of the Manitoba Metis Community in relation to projects being proposed in Manitoba. As important as the relationship is, it is the MMF's mandate to ensure the rights, interests and claims of the Manitoba Metis Community are recognized and addressed. As such, it is of significant importance to the MMF to participate in Board processes, as the Board is a quasi-judicial administrative tribunal that regulates rates charged by public utilities, including rates charged by Manitoba Hydro and Centra Gas.

Although new to the hearings before the Board, the MMF has participated as an intervener in several processes over the past few years including the 2014 NFAT, the 2014 GRA and the 2015 GRA. The MMF participated in these processes in an effort to ensure that the interests of the Manitoba Metis Community are considered by the Board in the decisions made in relation to energy rates in Manitoba. This is particularly important in that as the recognized government of the Manitoba Metis Community, the MMF represents a distinct Indigenous people that do not necessarily share the concerns or perspectives of other Indigenous peoples.

The MMF understands that energy, both electric and natural gas, is a necessity. The issue is the application of the projected rate increases and the impact those increases will have on

LEGAL ASSISTANT:

Taryn Saxberg

DIRECT LINE:

204-975-2539

EMAIL:

tsaxberg@darcydeacon.com

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the citizens of the Manitoba Metis Community. Tied to that issue is the fact that until very recently, the Board did not have the opportunity to hear from or consider the impact of rates on the Manitoba Metis Community as distinct from other Indigenous peoples.

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The Board directed Manitoba Hydro to lead a Collaborative Process with other interested parties to develop a bill affordability program in combination with Manitoba Hydro's other programs. The MMF has fully participated in this process, including active involvement in both the Working Group and the Engagement Sub-Committee. It is particularly important that to the extent possible, those around the table understand the significance of failing to consider the impacts of Manitoba Hydro's projects and the increase in rates that are associated with these projects on the Manitoba Metis Community.

DIRECT LINE:

204-925-5351

EMAIL:

tdel@ronde@darcydeacon.com

Despite the MMF's participation in these processes, it is the MMF's position that the Board has not recognized the distinct perspective MMF offers. During the GRA process, the scope of the MMF's participation was limited to represent low income customers, all-electric customers, and small to medium businesses, which may include customers in the General Service Small (GSS) and General Service Medium (GSM) rate classes.

LEGAL ASSISTANT:

Taryn Saxberg

In point of fact, rather than approving the MMF's request to intervene on behalf of the citizens it represents, it was limited to those three groups and MKO was given leave to represent Aboriginal people as a whole. Although the MMF appreciates the opportunity to participate and represent a small portion of our Metis citizens, the MMF would like to reiterate that its mandate is to protect the rights, interests and claims of the Manitoba Metis Community wholly. It is tremendously difficult to do so with much of MMF's participation restricted to only representing a small number of Metis citizens or those who are not otherwise represented by other interveners.

DIRECT LINE:

204-975-2539

EMAIL:

In MMF's Intervener Request Form, the MMF had sought the opportunity to expand on what has been discussed in these working groups and to work with a consultant skilled in cost allocation and rate design in order to issue-scope and assist in focusing the MMF's intervention. In Board Order No. 26/16, the MMF was granted intervener status. In fact, the Board expected MMF to collaborate with other interveners such as the Consumers' Coalition and the Green Action Centre (with respect to Residential rural customers), MKO (with respect to gas-unavailable customers) and the GSS/GSM classes. Although funding for an expert consultant was not issued, the MMF took the position that meaningful contribution in informing the Board was a real possibility, as MMF was willing to collaborate with the aforementioned interveners.

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Despite Board Order No. 26/16, in correspondence dated April 4, 2016, the Board reduced MMF's budget to \$15,000 (inclusive of disbursements) plus taxes. The Board reasoned that a watching brief was appropriate for MMF's intervention on *rate setting*. MMF had fully intended on making a meaningful contribution through this COSS review. As such, the Board limited MMF's scope of work to attending workshops and oral hearings as MMF's intervention would not be as comprehensive as the other interveners that were fully participating with expert consultants, which would ultimately be in a position to provide evidence to the Board.

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This decision by the Board has impacted the MMF's ability to participate meaningfully in COSS, and it has further impacted the MMF's participation in the Bill Affordability and DSM processes. Many of the interveners in COSS are also participants in the working groups and are involved in the DSM discussions. While the MMF also participates, the MMF was not provided with funding to support its participation at the three tables and in fact was put at a disadvantage in that without an expert to provide a Metis specific analysis, the MMF is unable to provide the PUB with the information it required to make an informed decision.

The Metis Nation's Manitoba Metis Community is the largest Indigenous community in Manitoba. As such, it is inappropriate to suggest that the concerns raised around the impacts of cost of service on one Indigenous peoples is analogous to a completely different, separate and distinct community. Further, it is unreasonable to assume that MKO or a combination of other interveners will provide the information necessary to sufficiently consider the impact of COSS on the rights, interests and way of life of the Manitoba Metis Community. The MMF respectfully submits that the concerns herein be rectified through increased participation in future hearings so that the Board will be in a position to make fully informed decisions.

Yours truly,

D'ARCY & DEACON LLP

Per:



Terrance DeLaronde

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