

July 9, 2018

Honourable Cameron Friesen  
Minister Responsible for the Public Utilities Board  
103 Legislative Building  
Winnipeg, Manitoba  
R3C 0V8

Dear Minister Friesen:

Re: 2017-18 Annual Report, The Public Utilities Board

Pursuant to subsection 109(1) of *The Public Utilities Board Act*, and on behalf of all Board members, I am pleased to submit the Annual Report of the Public Utilities Board ("PUB or Board") for the year ended March 31, 2018. The year under review was the PUB's 105<sup>th</sup> year of service to Manitoba.

A total of twelve (12) Board members, eleven (11) of whom are part-time, participated in the PUB's deliberations during the year.

A staff of eight (8) employees and a roster of advisors supported the Board members.

The Board was also assisted by its advisors and approved interveners.

Various individuals also appeared before the Board during its proceedings, either as witnesses, experts or presenters.

As a result of those contributions, the PUB achieved the results outlined in this report.

Thank you to you and the members of your department for the support of the PUB's work.

Sincerely,

Robert Gabor, Q.C  
Chair

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## HIGHLIGHTS

### A. Mandate

The PUB is an independent quasi-judicial administrative tribunal. It operates pursuant to The Public Utilities Board Act (the “Act”) and is responsible for the regulation of public utilities and other matters as defined under the Act. Other enactments assigning regulatory and/or adjudicative responsibilities to the PUB are:

*The Crown Corporations and Public Review and Accountability Act*

*The Greater Winnipeg Gas Distribution Act*

*The Gas Allocation Act*

*The Gas Pipeline Act*

*The City of Winnipeg Act* (passenger carrier agreements)

*The Manitoba Water Services Board Act* (Appeals)

*The Highways Protection Act* (Appeals)

*The Emergency 911 Public Safety Answering Point Act* (Appeals)

*The Consumer Protection Act* (Payday Loans and Government Cheque Cashing)

*The Municipal Act*

The entities regulated by the Board are Manitoba Hydro, Centra Gas Manitoba Inc. (a wholly owned subsidiary of Manitoba Hydro), Manitoba Public Insurance, Stittco Utilities Man Ltd., and approximately 240 municipal, cooperative and private water and sewer utilities. With respect to the City of Winnipeg’s water and sewer utility operations, the Board has regulatory jurisdiction except for rate setting. Municipal water and sewer utilities owned and operated by the Manitoba Water Services Board are excluded from the Board’s jurisdiction, except that customers may appeal decisions of the Manitoba Water Services Board to the Public Utilities Board. The PUB also hears appeals of Highway Traffic Board decisions, as well as oversees specific activities related to gas marketers, payday loans, and government cheque cashing.

During the period from April 1, 2017 to March 31, 2018 (the “Report Period”) responsibilities under the Prearranged Funeral Service Act and the Cemeteries Act were transferred to the Funeral Board of Manitoba.

## B. Board Membership

The Government of Manitoba, through the Lieutenant Governor-in-Council, appoints all members at pleasure. The following people were appointed to the Board of the PUB during the Reporting Period:

<i>Member</i>	<i>Date of Appointment</i>	<i>Term Expires</i>
Michael Watson	April 5, 2017	March 21, 2020
Robert Vandewater	April 5, 2017	March 21, 2020
Irene Hamilton	September 6, 2017	September 6, 2020

The Lieutenant Governor-in-Council established appointment terms for the three (3) new part-time members in addition to the eight (8) continuing part-time members.

The continuing part-time members are:

<i>Member</i>	<i>Date of Appointment</i>	<i>Term Expires</i>
Marilyn Kapitany (Vice-Chair)	July 23, 2012	July 23, 2018
Hugh Grant	December 18, 2013	December 18, 2018
Larry Ring	June 8, 2016	September 20, 2018
Carol Hainsworth	June 8, 2016	September 20, 2018
Susan Nemec	June 8, 2016	September 20, 2019
Sharon McKay	September 21, 2016	September 20, 2019
Shawn McCutcheon	September 21, 2016	September 20, 2019
Rheal Teffaine, Q.C.	September 21, 2016	September 20, 2019

The Chair, Robert Gabor, Q.C. was appointed September 6, 2016 at the pleasure of the Lieutenant Governor-in-Council.

The terms of the following members expired during the Reporting Period and we thank them for their dedication and service:

<i>Member</i>	<i>Date of Appointment</i>	<i>Term Expires</i>
Karen Botting	July 23, 2012	July 23, 2017
Hon. Anita Neville, P.C.	July 23, 2012	July 23, 2017
Al Morin	December 18, 2013	December 18, 2017

## **C. Strategic plan**

The PUB's 2017-2020 Strategic Plan was developed after consulting various stakeholders, including utilities, interveners of record and organizations that are involved with the PUB regulatory process. The complete Strategic Plan can be reviewed at <http://www.pubmanitoba.ca/v1/index.html>.

At the end or the beginning of each calendar year, the PUB establishes its annual priorities for the calendar year then under consideration to achieve its overall strategic priorities.

The four strategic priorities for the 2017-2020 period are:

1. Excellence in the provision of regulatory decisions;
2. Effective communications and relationships;
3. Efficient internal operations; and
4. PUB 2020

Highlights of the priorities in 2017-2020 include the following:

### **C.1 Excellence in the provision of regulatory decisions.**

#### ***PUB Review***

In December, 2016 the PUB commenced a process to review a number of its procedures (collectively the "PUB Review"). The goal of the PUB Review is to strive to provide regulatory services in an efficient and cost-effective manner.

The ongoing PUB Review is focussed on key Board procedures: (1) the pre-hearing processes for applications by Manitoba Hydro, Centra Gas and Manitoba Public Insurance; (2) the current intervener policy; and (3) the current rules for the handling of confidential information (collectively the "PUB Review"). The key principles behind the Review are:

- Effective and innovative processes and decisions for Manitobans
  - requires accurate and timely information
  - leads to increased public trust
- Ongoing dialogue between hearings

Phase 1 of the PUB Review consisted of PUB staff meeting with stakeholders, as set out above. The issues that were discussed fell into specific categories: pre-hearing process considerations; application considerations; pre-hearing conference considerations; discovery phase of the review; hearing phase; and Board order(s).

The discussions between PUB staff with each of the stakeholders were candid and most meetings required a full day. As a result of the limited staff resources the process was suspended in the spring of 2017 after Manitoba Hydro filed its General Rate Application. The Review will resume in 2018.

When Phase 2 of the PUB Review commences, proposed revisions to PUB procedures and/or policies (based on the Phase 1 discussions) will be circulated to the stakeholders for their consideration and placed on the PUB web site. In Phase 3 the Board will seek input from stakeholders and members of the public on the documents. The Board will consider the comments of stakeholders and the public and then revise PUB policies and/or procedures, notify all interested parties, and place notice of the revised procedures and policies on the PUB website.

### ***Changes Introduced in 2017/18***

- Concurrent expert evidence and workshops were used during rate applications for both MPI and Manitoba Hydro. In addition there were technical conferences for the utilities and interveners to deal with specific technical issues. The processes were repeated at the General Rate Applications with the PUB staff taking a more active role in facilitating the workshops and conferences.
- The Board used its new hearing room technology to receive evidence from expert witnesses and presenters from outside Canada via the Internet. The process worked very well and reduced the considerable cost for experts to travel to Winnipeg to testify.
- The PUB introduced further steps to streamline the water and waste water application process. The first steps saw the Board introduce Minimum Filing Requirements so that a utility could increase its rates for a pre-authorized amount without the necessity of filing a full application, provided the utility was not in default and its audited financial statement was filed. If utilities follow this process a utility would need to file full applications only every 3-4 years. The Board would focus its attention on those utilities which require greater oversight. These first steps were set out in notices to the municipalities and to the Association of Manitoba Municipalities. The Chair penned an article in the fall

2017 issue of the Municipal Leader magazine<sup>1</sup> "PUB Introduces Changes to Expedite Rate Applications".

- The second step in 2017/18 consisted of the Board agreeing that municipal water utilities which had applications before the Board could request rate increases of 3% per year until such time as the application was processed provided that the utility was not in default. In this way the Board would try to reduce the financial harm that utilities would face by delays in the processing of applications.
- The Board addressed a number of intervener funding issues on a one-off for the Manitoba Hydro General Rate Application. The Board approved a much larger group of interveners representing a broader group of interests. It require the interveners to set out their budgets in detail. Most budgets were reduced. In addition, the interveners were advised that any intervener which exceeded its budget by more than 10% would need to provide reasons and seek and obtain prior written approval of a new budget before they exceeded it, failing which the revised budget would not be approved. As well, despite the existing policy, the Board agreed to fund Manitoba Industrial Power Users Group, which represents the largest industrial users, as it is an important group of users, consuming approximately 35% of the electricity generated by Manitoba Hydro and it is an active participant at hearings.
- The PUB is actively reviewing its policies regarding the funding awards granted by the Board in supporting interventions. The PUB is seeking a commitment for active participation from the interveners during the entire hearing process (from the time the application is filed). It is also looking at linking the amount of the cost awarded to an intervener to the amount and value of the participation of each intervener.

## **C.2 Effective communications and effective relationships:**

### ***Stakeholder Consultation Process***

To be successful the Board determined that the PUB Review required consultation with stakeholders who appear before it on a regular basis (as an applicant or an intervener). The Board directed PUB staff to hold individual meetings with these stakeholders in order to facilitate a full and frank discussion on how existing processes could be improved. Board members did not participate as there was concern the stakeholders could be less forthright discussing such matters with Board members in attendance. A list of proposed issues was circulated to all stakeholders. The meetings took place in the first quarter of 2017 and the PUB received thoughtful proposals which will form the

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<sup>1</sup> [www.kelmanonline.com/httpdocs/files/amm/leaderfall/2017/index.html](http://www.kelmanonline.com/httpdocs/files/amm/leaderfall/2017/index.html)



basis of position papers on revisions to existing PUB procedures and/or policies that will be circulated in phase 2 of the PUB Review.

The PUB Review was suspended after Manitoba Hydro filed its General Rate Application in the spring of 2017, as the Board did not have sufficient staff resources to proceed with the PUB Review and process the Manitoba Hydro General Rate Application and proceed to the hearing. There were many process changes instituted during the Manitoba Hydro hearing process following consultation with the participants to the hearing that were initially raised in the PUB Review process before it was suspended. The PUB Review will resume in 2018.

### ***Meetings with Key Stakeholders***

During the year, the Chair of the PUB met and communicated with key stakeholders during the year including the Chair and President/CEO of Manitoba Hydro, Chair and President/CEO of Manitoba Public Insurance, representatives of different municipal water/wastewater utilities, and the President of local chapter of the Manitoba Industrial Power Users Group (MIPUG). These meetings were to discuss issues of interest to the parties but did not involve any issues related to a PUB order or that required a decision and would be better reviewed at a public hearing.

### ***Website***

In 2015 the PUB website was redesigned and streamlined to make it easier for the public to use and increase utility for stakeholders. As a result, the new site can be updated and amended by PUB staff. The site can be found at <http://www.pubmanitoba.ca/v1/index.html>. The site went live in March, 2017. For the Manitoba Hydro General Rate Application, a record number of 2,300+ Manitobans sent emails expressing their opinions and included their names and contact information.

### ***Livestreaming Hearings***

The PUB introduced technology in the hearing room so that all hearings can be livestreamed with people watching them on the Board's website, either live or at a later time. Hundreds of people watched the MPI and Manitoba Hydro General Rate Applications at any time. The Board has met with different government departments to discuss the livestreaming technology and offered its hearing room when not in use by the Board.

### ***Changes to Public Notice***

The PUB took steps to improve the form, content, and distribution of its notices that advise the public of an application before the PUB. The PUB issued notices that were

shorter and easier to understand in order to promote greater public participation in the hearing process. Such participation could occur either through requests for intervention or presentations to the Board panel hearing an application. The template for the new notice created in 2017/18 will be used by the PUB for applications received during 2018/19.

### **C.3 Efficient Internal Operations**

The PUB will continue to look for operational efficiencies to make the best possible use of resources in fulfilling its mandate and delivering on its vision and mission.

- The PUB completed its program of digitizing of historical records comprising of 800,000 paper documents and making the filings and documents available in digital format.
- All filings by applicants and interveners are now made digitally.
- The PUB introduced improved technology (SmartBoard) for remote communications and information sharing (SharePoint) with PUB members and advisers.
- The PUB introduced changes in its new web site so that members of the public could file comments and complaints electronically.
- The PUB continues to invest in Board and staff education programs so they can carry out their respective duties more effectively.

### **C.4 PUB 2020**

To meet its vision of effective, innovative regulatory processes and decisions for Manitobans, the PUB will continue to take a long-term view and build for the future. The PUB review and processes to streamline the hearing process fall within PUB 2020. Most importantly, the PUB is seeking legislative changes that will bring *The Public Utilities Board Act* in line with the standards followed in other Canadian jurisdictions. It also communicates with other Canadian jurisdictions on a regular basis and meets with representatives of other Canadian utility regulators at conferences and discusses how to follow best practices to the greatest extent possible based on its limited resources.

## ***PUB Operational Priorities***

The Board revised its short-term external and internal operational priorities for the 2017-2018 fiscal year:

External priorities:

- Address water and wastewater rate and deficit applications with a view to streamlining processes and reducing the backlog of applications. **UNDERWAY**
- Develop a process to bring the voice of small and medium-sized business to PUB proceedings. **UNDERWAY**
- Work with Government of Manitoba to update statutory process. **UNDERWAY**
- Follow up on Board directives from prior PUB Orders and deal with outstanding compliance issues. **REQUIRE NEW POWERS TO ENFORCE ORDERS**
- Establish better processes for greater public consultation. **UNDERWAY**
- Review and revise a policy to deal with the funding of interveners in PUB processes. **PART OF PUB REVIEW**

Internal priorities:

- Inform public of hearing room technology that allows interested parties from outside Winnipeg to participate in the PUB processes. **UNDERWAY**
- Integrate SharePoint software to improve the efficiency of Utility filings with the PUB. **UNDER WAY**

### **D. PUB Decisions**

PUB decisions relating to the rate applications of the major utilities usually focus on issues specific to either the utility and/or the application being considered.

Some issues are routinely addressed by the PUB when considering rate applications by Manitoba Hydro, Centra Gas and Manitoba Public Insurance, the major crown corporations.

- The PUB scrutinizes operating and maintenance costs, in part because of the steady increase in those expenses, related in part to increasing employee levels, and investments in infrastructure;
- The PUB reviews and approves capital expenditures for MPI and Centra Gas which is critical as they figure so prominently in the rate requests;

- While the PUB is excluded by statute from reviewing and approving capital expenditures for Manitoba Hydro, it was directed by Order-in-Council 92/17 to consider capital expenditure as a factor in setting rates for the Manitoba Hydro General Rate Application hearing which commenced in December, 2017;
- Given they are monopoly service providers and not subject to competition, where possible, the PUB has started to target the benchmarking of operating results in order to evaluate the utility's performance from year to year and, where applicable, relative to utilities providing similar services in other jurisdictions. The PUB will further emphasize benchmarking results in future applications in order to focus on performance measurements; and
- Accounting standards for utilities are in continuous evolution. International Financial Reporting Standards (IFRS), for example, are affecting all rate regulated utilities. The PUB extensively examines accounting changes and their impact on rates.

PUB is currently the appeal body for Highway Traffic Board decisions. The Board weighs the needs of the appellant and community with the requirements of Manitoba Infrastructure and safety provisions pertaining to the motoring public.

Municipal water and wastewater rates do not always reflect the true cost of providing services. The PUB is concerned that some costs that are the responsibility of ratepayers are being borne by the taxpayers. The PUB has made it a priority to correct this situation by ensuring that costs are properly accounted for, deficits are addressed, rate increases are timely and municipalities are not subsidizing rates via tax revenues. The PUB is also trying to persuade municipalities to file for modest rate increases on a regular basis rather than waiting for many years and seeking significant rate hikes which trigger outbursts from ratepayers. The PUB has introduced process changes to streamline the rate-setting process for municipal water and wastewater utilities.

When addressing electricity and natural gas applications, the PUB thoroughly considers energy efficiency plans, emphasizing the need for improved customer awareness of energy efficiency programs and the savings that can be achieved by insulation and furnace upgrades. The PUB also emphasizes the need to make energy efficiency programs accessible to low-income ratepayers as a means of mitigating the impact of future electricity rate increases. The PUB anticipates these responsibilities will increase significantly with the introduction of the Efficiency Manitoba Act and its mandate to review the business plans of Efficiency Manitoba and make recommendations to Lieutenant-Governor-in-Council.

The PUB considers safety of citizens to be a high priority and it continues to be very attentive to safety issues. Pipeline and gas distribution safety is a major consideration

when reviewing the activities and services of Centra Gas and Stittco Utilities Manitoba Inc. The PUB carefully reviews the road safety expenditures made by Manitoba Public Insurance which will receive additional scrutiny with the decision of the Government of Canada to legalize small amounts of marijuana for recreational use later this year.

Infrastructure renewal and investment is an ongoing issue for all Manitoba utilities. The PUB has made it a priority to examine infrastructure investments. Rate decisions often address funding to support infrastructure investments. Manitoba Hydro's plans encompass significant infrastructure expenditures over the next decade. MPI makes significant investments in technology, specifically in its computer systems and software applications. These capital expenditures continue to be closely examined by the PUB.

The PUB continues to closely examine the reserve and equity levels of all utilities. Utility reserves or equity, if adequate, allow utilities to mitigate the impact of unexpected expenditures or cope with revenue shortfalls without resorting to significant rate increases which can lead to rate shock.

- Manitoba Hydro has incurred and will continue to incur very significant electricity infrastructure expenditures that will lead to a very material reduction in its equity levels for a period of time. Manitoba Hydro's other risks include inclement weather, such as drought, infrastructure damage or equipment failure, export market price fluctuations and rising interest rates.
- MPI is at risk from inclement weather, interest rate and stock market fluctuations. The determination of a target level of reserves for MPI's basic line of business has been an issue for a number of years. The Board's most recent Order on insurance rates taking effect on March 1, 2018 reviewed the methodology for determining the minimum and maximum rate reserve levels for its basic line of insurance, and mandated a series of technical conferences on the issue to occur before the next filing.
- The adequacy of financial reserves and working capital levels of water and sewer utilities have been a continuing preoccupation of the PUB. Board decisions have addressed deficits, shortfalls in reserves and working capital levels when necessary. In the case of water and sewer utilities, the major risk involves regulatory changes and expensive repairs because of system breakdowns.

The Board is concerned with utilities failing to comply with Board Orders, especially as the Board has limited powers to enforce its Orders. The Board noted that an applicant's options in response to a Board order are to comply with the Order, seek a request for a review and variance from the Board or seek leave to appeal the Board's decision from the Manitoba Court of Appeal. Ignoring a Board Order is not an option. The Board has

the jurisdiction to impose financial penalties and/or stay future applications in the event the utility does not comply with all or part of a Board order.

## **D.1 Overview Of Board Orders**

All Orders issued by the Board are posted on the PUB's website, located at: <http://www.pubmanitoba.ca/v1/index.html>.

Numerous rate applications approved by the Board are based on preset formulas for calculating rates: Manitoba Hydro's weekly surplus energy rates, Stittco's propane gas rates and Centra Gas' quarterly Primary Gas rates are calculated on such a basis. Typically, these applications are considered on an ex parte (without public consultation) basis.

Applications may be made by the utility or affected parties requesting that the PUB review and vary its decisions. Board decisions on a Review and Vary application may be appealed to the Manitoba Court of Appeal; there were no appeals launched during the Reporting Period.

During the Reporting Period, the PUB issued 154 Orders and 32 licences in 2017-18 (2016-17: 155 Orders and 39 licences).

## **D.2 Assigned Duties**

Pursuant to section 107 of *The Public Utilities Board Act*, the PUB may be assigned duties by Act or resolution of the legislature, by order of the Lieutenant Governor in Council or as an appellate or arbitrating body under an agreement between a municipality and the owner of a public utility.

In 2017-18 the Board was assigned specific duties in relation to the Manitoba Hydro General Rate Application pursuant to Order-in-Council 92/17 ("OiC 92/17"). In summary OiC 92/17 provided that the PUB consider capital expenditures as a factor in setting rates. OiC 92/17 also directed Manitoba Hydro to provide the PUB with requested records about its capital expenditures.

## **D.3 Gas Marketers**

The PUB regulates independent natural gas marketers that sell natural gas directly to Manitoba consumers. In 2016, the PUB introduced a new Code of Conduct for natural gas marketers.

The PUB's Code of Conduct for gas marketers is intended to mitigate consumer complaints of aggressive and fraudulent marketing practices of natural gas marketers selling to residential customers. A key feature of the Code gives consumers a mandatory 48 hour waiting period before a contract can be executed. This is accomplished by the customer signing an "Intent to Buy" agreement with a gas marketer followed by the signing on an actual contract after 48 hours should the customer wish to enter into a contract. The Code requires improved marketer training and mandatory natural gas rate comparison disclosures so consumers can make informed decisions without the pressure tactics of some marketers. The number of complaints received by the Board about gas marketers have dropped significantly since the Code of Conduct was introduced.

#### **D.4 Pay Day Loans**

Pursuant to section 164(2) of *The Consumer Protection Act (Manitoba)*, the PUB was required to conduct a review of issues related to pay day loans within three years after MR. 50/2010 came into force. The PUB submitted that report to the Government on September 23, 2013.

Pursuant to section 164.1(2) of *The Consumer Protection Act (Manitoba)*, every third year, the Minister responsible must review the effectiveness of Part XVIII of that Act and the related regulation and decide whether to require a further review by the PUB in accordance with section 164 of the Act.

By his letter received June 30, 2015, the Minister responsible asked the PUB to review, no later than 2016, the maximum payday loan limits. The PUB completed a public hearing and provided a report to the Minister on June 17, 2016. The PUB expects to receive a letter from the Minister directing it to undertake a review of payday loan issues through a public hearing in 2019.

#### **D.5 Government Cheque-Cashing**

The PUB is required to review government cheque cashing rates on a triennial basis and make a report to Government. Under Order 105/16, dated August 8, 2016, the Board set the maximum fees for cashing or negotiating government cheques in accordance with *The Consumer Protection Act (Manitoba)*. Government cheques include cheques of the Government of Canada, Province of Manitoba and any government agency listed in the Government Cheque Cashing Fees Regulation. The Board also provided a series of recommendations to the Government. The PUB expects to receive a letter from the Minister directing it to undertake a review of government cheque cashing rates in 2019.

## **D.6 PUB Inquiries**

Pursuant to subsection 27(1) of *The Public Utilities Board Act*, the Board may of its own motion, and will upon the request of the Legislature or the Lieutenant Governor in Council, inquire into, hear, and determine any matter or thing within its jurisdiction.

During 2017-18, no inquiries were undertaken by the PUB and, consequently, no related Orders or reports were issued by the Board.

## **D.7 PUB Award of Costs**

Pursuant to Section 56 of *The Public Utilities Board Act*, the Board has jurisdiction to award costs of, and incidental to, any proceeding.

The Board's Rules of Practice and Procedure (Rules) set out the process for the Board to award costs to be paid to interveners.

The Board issued a number of Orders related to the award of costs to individual approved interveners after hearings involving issues relating to Manitoba Hydro and MPI. The Board notified interveners that the Board must be notified of an increase of 10% or more of its preliminary budget in order for it to be considered for an award of costs. The issue of awarding costs to interveners is being considered during the PUB Review. The Board addressed the issue on a one-off basis for the Manitoba Hydro General Rate Application pending completion of the PUB Review.

## **D.8 PUB Fees**

Fees assessed by the PUB are paid by applicants, utilities and licensees to the Minister of Finance and added to the Manitoba Government's Consolidated Revenue Fund. The fee schedule has remained unchanged since 1994.

Fees payable to the Minister of Finance by utilities and persons who are parties to, or interested in, matters coming before the PUB are set out in the Public Utilities Board Fees Regulation and amendments as prescribed by the PUB pursuant to s. 57 of *The Public Utilities Board Act*.

## **D.9 PUB Financial Results**

PUB fees are paid into the Consolidated Revenue Fund. Expenses of the PUB are paid out of the departmental appropriation; the budget amount is determined via the government's appropriation process. Unspent appropriated funds are not accumulated in PUB reserves.



The PUB spent a total of \$1.496 million, slightly higher than the \$1.472 million spent in its previous fiscal year. The increased costs reflect the PUB's lower operating costs, but higher salaries and benefits costs. The supplemental funds were provided to the PUB by the Department of Finance.

The PUB directs utilities and applicants to pay the costs of PUB advisors and independent expert consultants appointed by the Board. By Board Order, the PUB requires utilities and applicants to pay all or a portion of the costs incurred by interveners in its hearings. The costs are paid directly by the utilities and applicants to the parties that have been granted cost awards after review and approval of the costs by the utilities and applicants and the PUB. These payments are not made to the PUB or the Consolidated Revenue Fund.

## **D.10 Legal Matters**

There were no legal proceedings involving the PUB in 2017-18.

## **REGULATED UTILITIES AND ENTITIES**

### **I. Manitoba Hydro – Electricity**

#### ***General Rate Application***

On May 5, 2017, Manitoba Hydro filed a General Rate Application (GRA) that sought three rate increases:

- Finalize a 3.36% interim rate increase effective August 1, 2016 granted under Order 59/16;
- Finalize a 3.36% interim rate increase effective August 1, 2017 granted under Order 80/17; and
- Approve a new 7.9% rate increase effective April 1, 2018.

The Government of Manitoba issued Order-in-Council 92/17 ("OiC") in contemplation of the GRA. The OiC assigned the PUB the duty of considering capital expenditures by Manitoba Hydro as a factor in reaching a decision regarding the proposed rate for service in a manner that balanced the interests of ratepayers and the financial health of Manitoba Hydro. It also directed Manitoba Hydro to provide the Board with all documents regarding capital expenditures that it requested.

The Board approved the following parties to be Interveners at the hearing:

- Assembly of Manitoba Chiefs, which is the political, advocacy and technical body that represents 62 of 63 First Nations communities in Manitoba and approximately 130,000 people;
- Business Council of Manitoba, a not-for-profit organization consisting of 84 Chief Executive Officers from a cross-section of businesses;
- Consumer Coalition, a coalition of the Consumers' Association of Canada (Manitoba) and Winnipeg Harvest, that seeks to represent the interests of all Manitoba residential consumers, including low-income consumers, the working poor and those living on reserve and in remote and rural communities;
- Green Action Centre, a non-profit, non-governmental organization that has a mandate of promoting greener living and the creation of a more sustainable society;
- Representatives of the General Service Small and General Service Medium Customer Classes – respectively, small commercial customers with loads of less than ~200 kW and large commercial customers that use Manitoba Hydro-owned transformation equipment exceeding ~200kW - including the members of the Building Owners and Managers Association of Manitoba, the Canadian Manufacturers & Exporters Association – Manitoba Division, and the Manitoba Hotel Association;
- Keystone Agricultural Producers, Manitoba's general farm policy organization that represents the interests of over 7,000 farm families and 23 commodity associations;
- Manitoba Industrial Power Users Group, an association of companies who are substantial users of power in the Service Large rate classes, including all three subclasses;
- Manitoba Keewatinowi Okimakanak, a non-profit advocacy organization that represents more than 65,000 treaty First Nations citizens in 30 First Nations communities in northern Manitoba; and
- City of Winnipeg, which represents 725,000 residents.

The Board accepted a much broader group of Interveners for this hearing as it felt it needed a broad cross-section of Manitoba interests given the significance of the rate application.

The GRA process commenced with the filing of the GRA on May 5, 2017 and numerous interim motions took place before the actual hearing started on December 4, 2017. There were approximately 35,000 pages of evidence and testimony from 23 Manitoba Hydro witnesses, 22 Interveners expert witnesses, 13 independent expert consultant

witnesses, 8,300 pages of transcripts on the public record, numerous public presentations and 2,300 comments from the public on the PUB web site.

The hearing was livestreamed via the PUB web site and experts and witnesses testified via the Internet from Australia, Colorado and Florida.

The areas canvassed as sworn testimony during the hearing included:

- Manitoba Hydro's New Financial Plan;
- Major Capital Revenue Requirement;
- Business Operations Capital;
- Demand Side Management Spending;
- Export Revenue Forecast;
- Load Forecast;
- Operating and Administrative Expenses;
- Accounting Issues;
- Macroeconomic Impacts of Rate Increases;
- Consumer Rate Increases;
- Payments to Government;
- Rate Design; and
- Bill Affordability.

The Board heard evidence on 31 days between December 4, 2017 and February 14, 2018. The decision of the Board was not completed by March 31, 2018.

Manitoba Hydro sought to achieve a 25% equity capitalization in a 10 year timeframe rather than 20 years (its previous position) in order to address specific risks to taxpayers such as higher interest rates, droughts, reduced export and load forecasts. The rate it proposed was double the previous rate request as it stated that the previous plans were not sufficiently robust to address current circumstances.

The Business Council of Manitoba supported the position of Manitoba Hydro. The Green Action Centre took no position on the rate increase. All other interveners opposed the Manitoba Hydro position, for a variety of reasons. Some interveners described the proposed 7.9% rate increase as rate shock; others stated it could more likely harm Manitoba ratepayers and the Manitoba economy and the focus on the debt equity ratio was misplaced.

### ***Interim rates***

The Manitoba Hydro General Rate Application included a request for an interim rate of 7.9% effective August 1, 2017.

The Board proceeded with the hearing by way of written and oral submissions from Manitoba Hydro and the Interveners during oral hearings on July 18-19, 2017.

- The Consumers Coalition
- Green Action Centre
- Manitoba Industrial Power Users Group
- Manitoba Keewatinowi Okimakanak
- Assembly of Manitoba Chiefs
- Business Council of Manitoba
- General Service Small and General Service Medium Customer Classes
- Keystone Agricultural Producers Manitoba

In the ordinary course, the Board sets rates for Manitoba Hydro through the regulatory process of a General Rate Application. In a General Rate Application, the Utility may submit proposals regarding final rates for services relating to a period of not more than three years. A General Rate Application process involves a fulsome public review, including: notice of the process to interested parties; the testing of Manitoba Hydro's case through an evidentiary written information request process and a public oral hearing involving direct evidence and cross-examination; and the filing of expert evidence by approved Interveners and/or Board-retained Independent Expert Consultants and the testimony and cross-examination of experts in the oral hearing. Through this process, which takes place over a number of months, the Board scrutinizes the evidence before it on the range of issues that are relevant and in scope and arrives at a final decision with respect to the rates that the Utility can charge for its electricity services.

In contrast, interim rates are ordered on a provisional or temporary basis, pending full and final adjudication in a General Rate Application process. As the Supreme Court of Canada held in the case of *Bell Canada v Canada (Canadian Radio-Television and Telecommunications Commission)*, [1989] 1 SCR 1722:

*Traditionally, such interim rate orders dealing in an interlocutory manner with issues which remain to be decided in a final decision are granted for the purpose of relieving the applicant from the deleterious effects caused by the length of the proceedings. Such decisions are made in an expeditious manner on the basis of evidence which would often be insufficient for the purposes of the final decision.*

The Board noted in Order 59/16 that interim rate applications ought not to be the 'norm' for Manitoba Hydro as such applications do not offer the same level of public review and testing as do General Rate Applications.

### ***Interveners' positions***

All Interveners took the position that Manitoba Hydro's application should be tested in a full process before a rate increase was granted. A number of Interveners stated that Manitoba Hydro had not met the condition for the granting of an interim rate, namely that urgency or emergency had not been demonstrated. Both the Consumers Coalition and Manitoba Industrial Power Users Group recommended a rate increase of 1.6% to reflect the rate of inflation. This was supported by Manitoba Keewatinowi Okimakanak and the Assembly of Manitoba Chiefs. The Green Action Centre suggested an interim rate of 3.36%, which repeated the interim rate increase in Order 59/16. The Business Council of Manitoba supported Manitoba Hydro's rate request. Representatives of the General Service Small and General Service Medium Customer Classes and Keystone Agricultural Producers agreed that a 7.9% interest rate increase should not be granted prior to full testing of the evidence in the General Rate Application.

The Board found that Manitoba Hydro had not established a prima facie case for the requested 7.9% interim rate request. The Board found that contentious issues related to the proposed rate increase required consideration by way of evidence at a GRA hearing. The majority of the Board found there was a prima facie case for a 3.36% interim rate increase effective August 1, 2017 with the revenues flowing to the Bipole III Deferral Account. One member dissented as she could not support an interim rate increase for Manitoba Hydro in any amount and for any purpose at the time.

### ***Weekly Surplus Energy Rate Program (SEP)***

Manitoba Hydro's US export revenues are either generated from contracted sales at predetermined prices or from opportunity sales. The opportunity revenues are based on current electricity market wholesale prices and the level of excess generation and transmission available to Manitoba Hydro.

Manitoba Hydro makes surplus energy (i.e., generated or purchased energy exceeding its domestic and export requirements) available on an interruptible basis to its General Service (GS) customers. This energy is available at prices comparable to Manitoba Hydro's opportunity (not contracted) US export sales or, in the case where the utility expects to import power, at a price reflective of Manitoba Hydro's cost with a 10% surcharge.

SEP energy prices are forecast by Manitoba Hydro on a weekly basis for each of the peak, off-peak, and shoulder time slots using US export sales prices and submitted to the PUB for approval. During the Reporting Period, the PUB issued weekly interim ex parte SEP rate orders which will be finalized as part of the next GRA process.

All SEP customers are billed a monthly basic charge, distribution charge and an energy charge. The monthly basic charge is fixed and depends on the size of the connected load. The distribution charge per kWh varies by customer class. The energy charge per kWh, applicable to three pricing periods, varies based on expected market prices from week-to-week. The three pricing periods are peak, shoulder and off-peak, which vary depending on the season.

The SEP was first approved by the PUB in Order 90/00, which stipulated that the SEP would terminate on March 31, 2004. Since that time, the SEP has been repeatedly extended.

### ***Electrical Reliability***

Under the reliability provisions of *The Public Utilities Board Act*, the PUB has the authority to:

- (a) decide whether a reliability standard has been violated and what penalty, if any, to impose for a violation;
- (b) review a reliability standard at the request of a Manitoba entity that is required to comply with a standard; PUB can confirm a standard or remand it back to the North American Electric Reliability Corporation (NERC) for consideration; and
- (c) when requested by the Minister responsible for the PUB, provide advice/recommendations about fees that Manitoba entities must pay to the standards body or compliance body in relation to making or enforcing reliability standards.

During 2017-18, the PUB did not exercise any of its powers related to electric reliability.

### ***Organization of MISO States (OMS) Activities***

The PUB is a full-voting member of the OMS. The Chair of the PUB is a member of its Board of Directors.

The OMS is a non-profit, self-governing organization of representatives from each member state and Manitoba with regulatory jurisdiction over entities participating in the Midcontinent Independent System Operator, Inc. (MISO), a regional transmission organization as defined by the Federal Energy Regulatory Commission (FERC). Manitoba Hydro is an associate member of MISO. The purpose of the OMS is to coordinate regulatory oversight among the member states and Manitoba, including recommendations to MISO, the MISO Board of Directors, the FERC, NERC and other relevant government entities, and state commissions or provincial government as appropriate.

The OMS is an important source of independent information about the MISO market, the principal market for Manitoba Hydro export electricity. Because OMS deals mostly with issues that are specific to the U.S. jurisdiction, extensive PUB involvement is not required.

OMS officially expresses the views of member American state jurisdictions and Manitoba, unless Manitoba abstains, on issues related to electricity generation and transmission across state/province and national boundaries, for joint presentation to U.S. federal regulators and to MISO. Because many issues are specific to the U.S. jurisdiction, the PUB's representative usually abstains from voting.

## **II. Centra Gas Manitoba Inc. (Centra)**

Centra is a wholly-owned subsidiary of Manitoba Hydro. The PUB regulates all aspects of Centra's operations including capital expenditures and rates charged by Centra for the transportation and distribution of gas as well as rates charged for Primary and Supplemental Gas.

Centra distributes natural gas to over 250,000 residential, commercial and industrial customers. Since its purchase by Manitoba Hydro in 1999, it has been fully integrated within Manitoba Hydro's general operations.

### ***Rate and Operational Reviews***

The price of natural gas is set on continental energy markets based on supply and demand. Gas is purchased from Western Canadian and American producers and transported by pipeline to Manitoba for immediate or later distribution within Manitoba through Centra's infrastructure. Gas storage facilities located in Michigan are filled during the summer months and then emptied, at times notionally, during the high consumption winter months.

Centra does not mark up its gas costs and earns no profit on the sale of gas. To ensure that the exact cost is passed on to customers, Centra maintains deferral accounts which record differences between the gas costs embedded in rates and Centra's actual costs.

The five components of natural gas rates billed to Centra's customers are:

- Primary Gas – gas that is sourced by Centra under its Western Canadian gas supply contract, which is priced quarterly by Centra, or gas purchased by consumers from either Centra or independent gas marketers and brokers under contracts, usually for a fixed rate and a fixed term;

- Supplemental Gas - gas that is required to meet the needs of Centra's customers during periods of peak load or other seasonal requirements. Supplemental Gas is applicable to the majority of customers, whether they purchase quarterly-priced Primary Gas from Centra or fixed-rate gas through contracts;
- Transportation (to Centra) – is the cost of transporting natural gas to Manitoba, including charges for pipelines not owned by Centra and the cost of gas storage facilities and is applicable to the majority of Centra's customers;
- Distribution (to Customer) - is the cost of delivering natural gas to a customer's home or business, including the cost of facilities and pipelines owned by Centra, as well as the operation and maintenance costs for the distribution system and a small cost component related to unaccounted-for gas; and
- Basic Monthly Charge - the cost related to customer service including meter reading and billing, as well as the cost of the service line and the meter.

Order 89/13, dated August 2, 2013, and arising out of Centra's 2013/14 General Rate Application, approved the current Basic Monthly Charges.

Centra's Primary Gas rates are subject to quarterly amendment. Orders were issued as follows: Order 44/17 for rates effective May 1, 2017; Order 79/17 for August 1, 2017; Order 117/17 for rates effective November 1, 2017; and Order 16/18 for rates effective February 1, 2018.

These regularly-scheduled, quarterly Primary Gas rate reviews occur in accordance with the Board-approved Rate Setting Methodology (RSM), which is formula-driven and relies on established accounting and rate setting conventions. The Rate Setting Methodology determines a Primary Gas rate based on the forecast of natural gas prices and includes several factors that reflect the costs Centra incurs in providing Primary Gas to its customers.

The quarterly gas rate setting does not involve a public hearing, given the formulaic nature of the RSM, and the PUB's goal of minimizing regulatory costs. Public reviews of primary gas rates are conducted at periodic Cost of Gas or General Rate Application hearings.

### ***Non-Primary Gas***

Non-Primary Gas components of Centra's rates, for all customers including those receiving natural gas through fixed-rate contracts, are also periodically reviewed and approved by the PUB. These non-Primary Gas rate reviews occur either through periodic Cost of Gas hearings, which also provide for the finalization of past interim quarterly Primary Gas rate changes, or in the context of a General Rate Application.



Order 79/17 is the most recent Order to adjust non-Primary Gas rates.

The Cost of Gas Order follows Centra's last General Rate Application in 2013 and addresses regulatory matters with respect to Centra's non-Primary Gas rates that have arisen since that time. The last Cost of Gas order was issued by the PUB in October of 2015. Centra's next General Rate Application is expected to be filed before the end of 2018.

### ***Franchise Extensions***

*The Public Utilities Board Act* provides that a franchise granted to any owner of a public utility by a municipality is subject to the approval of the Board. The Board has the authority to grant or refuse a franchise to sell gas, or to directly purchase gas, or revoke an existing franchise to sell gas, or to directly purchase gas within the Province. Centra applies to the Board for approval, renewal or extension of franchise agreements. The franchise does not take effect until approved by an Order of the Board. Franchise agreements are granted by the Board on an interim *ex parte* basis subject to the passing of a financial feasibility test, to be finalized at a hearing of the Board.

The PUB has not finalized any franchise agreements since the issuance of Board Order 85/13. Any interim *ex parte* orders issued since that time are subject to review and are available for comments from the public and interveners. For 2017/18 the PUB issued a Franchise Extension Interim Order for the Rural Municipality of Grasslands (Order 55/17).

### ***Service Disconnections***

The PUB has broad responsibilities with respect to the regulation of gas and propane services as supplied by Manitoba utilities. The PUB oversees service disconnections for gas customers. Most service disconnections occur as a result of non-payment on accounts.

Board Order 14/08 contains the PUB's approved policies and procedures for disconnection and reconnection. The PUB also has review and appeal processes for disconnection. The Board only has authority over disconnections for gas customers. All electric customers fall outside the jurisdiction of the PUB. There is no right of appeal to the Board for an electrical service disconnection as Manitoba Hydro sets its own disconnection policies and any customer appeals go to Manitoba Hydro. The PUB reviewed an earlier policy that purported to provide it jurisdiction over combined electricity/natural gas customers. The PUB revised the earlier policy and notified Manitoba Hydro that it would not consider appeals of the disconnection of electricity services, whether or not the customer used electricity or gas for heating purposes.

Disconnection for non-payment of gas services in arrears can only occur from May 15 to September 30. Disconnection will not occur on gas services for occupied residential premises from October 1 to May 14.

No gas disconnections were appealed in 2017-18.

The Board receives numerous calls from gas/electric customers every year about an actual or potential disconnection. Board staff assist in negotiating payment arrangements between the customer and Manitoba Hydro or in informing the customer of social service programs that can be approached to provide relief.

The Board also receives numerous calls from all-electric customers wanting to appeal a disconnection. They are advised that the Board does not have jurisdiction over electricity disconnections. They are encouraged to contact Manitoba Hydro.

### ***Gas Safety***

The PUB monitors natural gas and propane pipeline safety activities in the Province under *The Gas Pipe Line Act*. The PUB's activities include the designation of minimum standards for gas pipeline systems, receiving engineering certifications for the construction of pipelines, and reviewing liability insurance requirements. The PUB also monitors key performance indicators and management systems used by utilities to demonstrate gas is safely distributed to customers.

### **III. Stittco Utilities Man Ltd. (Stittco)**

Since the early 1960s, Stittco has provided propane distribution services to customers in Thompson, Snow Lake and Flin Flon. Stittco also now services Churchill. The PUB regulates both Stittco's non-commodity and commodity costs to customers.

Non-commodity costs consist of costs incurred by Stittco for the distribution of propane to its customers. These costs include operating expenses, depreciation, a provision for corporate income tax and a return on Stittco's rate base for its owners. Stittco applies annually for an increase in its non-commodity rates. Allowed costs are recovered in rates through a basic monthly charge and delivery charges based on customer consumption. With lower projected propane consumption volumes, combined with the approved increases in non-commodity costs, there is a resulting ongoing annual increase in charges to customers separate from the costs of supply and transportation to Manitoba.

Decisions for Stittco were issued for non-commodity costs under Order 116/17, effective November 1, 2017 and Order 144/17 for non-commodity costs-refund rate rider treatment final approval, effective February 1, 2018.

Commodity rates for propane are adjusted quarterly using the Quarterly Rate Setting (QRS) process approved by the Board in Order 141/08 and 45/09. The Board issued the following quarterly propane rate decisions:

- Order 43/17 effective May 1, 2017
- Order 77/17 effective August 1, 2017
- Order 115/17 effective November 1, 2017, and
- Order 19/18 effective February 1, 2018.

#### **IV. Natural Gas Marketers**

The PUB issued renewal licenses to nine (9) natural gas marketers during 2017-18. The broker licences became effective November 1, 2017 and will expire on October 31, 2018. Marketer licences are reviewed by the PUB every year.

Natural gas marketers are independent businesses that sell Primary Gas to Manitoba customers or otherwise deliver, distribute, store or transmit gas within Manitoba.

Nearly all marketers licensed by the PUB serve the commercial and industrial gas supply market. Larger gas users are assumed to be informed buyers and can either negotiate fixed terms contracts on their own or receive Centra's quarterly gas supply product.

In Manitoba, a consumer of natural gas can purchase Primary Gas from:

- 1) Centra Gas at a variable gas rate that is approved every three months by the PUB;
- 2) an independent gas marketer or Centra Gas under a fixed-rate, fixed-term contract.

One licensed gas marketer, Just Energy, offers residential consumers a fixed-rate fixed-term option as an alternative to Centra's regulated quarterly cost-based Primary Gas Rate. Centra began offering fixed-rate fixed-term Primary Gas offerings in February 2009.

The PUB controls the sales activities of marketers through a Code of Conduct. In addition to overseeing the terms under which Centra distributes Primary Gas for the marketer to its customers and establishing and monitoring the Code of Conduct that governs a marketer's marketing to consumers, the PUB intervenes and investigates complaints from marketer customers. Typically, the PUB is able to facilitate a

reasonable outcome through discussions between the marketer and the customer; it is not required to hold a public hearing to address complaints.

The PUB adopted a new gas marketer Code of Conduct in July 2015 which took effect on January 1, 2016. The Code is intended to mitigate small volume consumers' complaints of aggressive and fraudulent marketing practices of natural gas marketers. The Code gives small volume consumers a mandatory 48 hour waiting period before a contract can be executed by the broker. The customer signs an "Intent to Buy" agreement with a gas marketer followed by the signing on an actual contract after 48 hours if the customer decides to enter into a contract. The Code requires improved marketer training and mandatory natural gas rate comparison disclosures so consumers can make informed decisions without the pressure tactics of some marketers. Under the Code, door-to-door, telephone, direct mailings and web-based transactions with small volume customers are governed by detailed instructions approved by the PUB.

## **V. Manitoba Public Insurance (MPI)**

MPI was established in 1971 as the monopoly provider of basic motor vehicle insurance.

Pursuant to *The Crown Corporations Governance and Accountability Act*, the PUB approves just and reasonable rate bases and premiums charged for basic compulsory driver and vehicle insurance (Basic) provided by MPI.

Manitoba residents are required to purchase MPI's Basic insurance. It includes:

- all-perils coverage for accidental damage to most registered vehicles;
- third party liability for claims if a registered vehicle injures other people elsewhere in Canada or the United States, or damages the property of other people anywhere in Canada or the United States; and
- Personal Injury Protection Plan (PIPP) for injury or death caused by an automobile

Under PIPP, all Manitobans have accident benefit coverage in case of a vehicle accident, whether they are drivers or not, and whether the accident occurs in Manitoba or anywhere in Canada or the United States.

Basic insurance provides \$200,000 third party liability and \$500 deductible. Any additional coverage in third party liability or lower deductible falls under Extensions coverage. The PUB has no authority over rates or the separate Extensions coverage reserve fund. The PUB also does not approve rates for MPI Special Risk Extension (SRE) nor have any jurisdiction over that reserve fund.

Unlike the PUB's other regulated utilities, MPI's rates are in force only for an insurance year (February 1 to January 31) and an annual rate hearing is required.

In Order 130/17 (December 4, 2017) the PUB approved a rate increase of 2.6% for Basic premiums for the 2018/19 insurance year, effective March 1, 2018, for all major classes combined rather than the 2.7% requested by MPI. Based on MPI's rate design, each major vehicle class had different average vehicle premium changes.

The PUB also approved the MPI proposal for no change in permit and certificate rates, driver license premiums and vehicle premium discounts, service and transaction fees, fleet rebates or surcharges, or the discount on approved after-market and manufacturer/dealer installed anti-theft devices.

The Board further ordered changes to the driver premiums through the demerit side of the Driver Safety Rating Program, which would produce a forecasted revenue increase of \$17.7 Million in fiscal year 2018/19, an amount equal to an overall 1.8% increase in compulsory motor vehicle premiums.

The PUB and MPI have been engaged for a number of years in discussions regarding the appropriate level of MPI's Rate Stabilization Reserve (RSR). For Fiscal 2017, the Board selected a methodology to be used for the purposes of setting the lower total equity capital target for the Corporation which the Board approved.

In 2015 the Board also approved a methodology for setting the upper level of the equity target but on a notional basis only. The Board ordered MPI to continue to participate in a collaborative process to be completed by the time the Board considers the next rate application. The Board was not prepared to continue the requested methodology for the upper level based on the evidence submitted at the hearing. Instead, the Board held a technical conference in 2017 to further examine the methodology for the setting of the upper threshold.

In the 2017 hearing the Board continued to favour scenario-based testing for the setting of both the lower and upper Basic Total Equity thresholds and, further in that regard, the iterative approach which evolved from the collaborative process. As a result, the Board ordered the lower Basic Total Equity threshold be set at \$180 Million and the upper threshold be set at \$325 Million. In the history of MPI, Basic Total Equity (including Basic RSR) only exceeded a threshold of \$325 Million once. That occurred as a result of an actuarial adjustment in the last quarter of fiscal 2011.

In Order 130/17 the Board also directed a technical conference on whether a Capital Maintenance Provision should be introduced for rate setting purposes as a way to protect against the depletion of Total Equity.

The Board again expressed its concerns about MPI's costs related to various Information Technology (IT) initiatives, and whether MPI is making efficient expenditures in the IT area. In 2016 the Board ordered MPI to file an overall five-year strategic plan with respect to its IT projects, supported by full business cases at the next GRA. The plan was not complete in time for the 2017 GRA and the Board directed it be filed following approval by the MPI Board of Directors. The Board understands the plan will be part of the next GRA.

The Board heard considerable evidence about MPI's lower rates of return on its investments compared to its peers in Manitoba and public insurance agencies in other jurisdictions. This included the composition of the portfolio investment returns, the investment decision-making process, and the Corporation's intention to increase its allocation to corporate bonds to 18% of its portfolio. The Board understands that the Corporation introduced changes in response to the Board's concerns. These will be reviewed at the next GRA.

The Board expressed its concerns that MPI did not file the Asset Liability Management (ALM) study as directed in Order 162/16. The ALM study is an important document that assists in the determination of investment returns related to liability. The Board understands that a new ALM study was completed and will be reviewed at the next GRA.

## **VI. Water and Sewer Utilities**

The PUB has rate and other regulatory responsibilities for all of Manitoba's water and/or wastewater utilities but does not approve rates for the City of Winnipeg.

Water utilities are public utilities as defined in *The Public Utilities Board Act* and regulation is mandatory.

Wastewater (or sewer)-only utilities need to be declared by the Board to be public utilities to be regulated; a general declaration was made in Order 93/09.

At the end of the 2017-18 fiscal year, the PUB had a regulatory caseload of approximately 240 water and/or wastewater utilities, including approximately 200 municipal utilities and 40 cooperative and privately owned utilities. At the end of March 2018, the PUB had 52 active water and wastewater files, down from 61 in the previous year.

In Order 86/17, the Board introduced a simplified rate application for water and wastewater rate applications and revised the minimum filing requirements for public utilities owned by municipalities. Utilities that wanted to increase rates by inflationary

amounts could do so, provided they met designated criteria by operating without deficit, they filed an annual audited financial statements and remained compliant. The minimum filing requirements were reduced by 40% and focused strictly on rate issues.

When regulating cooperative and privately-owned utilities, the PUB uses a complaints based process in order to constrain regulatory costs. Many of these utilities are able to introduce rate changes by simply notifying their customers and providing the PUB with financial information in support of the rate changes. If the increase is significant or if a rate increase results in many complaints, the PUB will hold a public hearing in the region served by the utility.

In an effort to mitigate costs and resources for municipal utilities, guidelines and forms are available on the PUB website to assist in developing utility rate applications. Training sessions are offered by the PUB to municipal staff on the use of the guidelines.

The PUB holds hearings to deal with matters being considered by the PUB. For example, some applications for significant increases result in ratepayer opposition; in such cases, the PUB will hold hearings in the area served by the utility. There was one hearing during 2017-18, for the City of Thompson.

Pursuant to subsection 165(2) of *The Municipal Act*, municipalities must obtain the PUB's approval if budgeted expenditures exceed the sum of budgeted revenues (including transfers to the utility). The Board, in Order 151/08, extended this requirement to all owners of water and/or wastewater utilities. Unless prior approval has been obtained, an owner of a public utility must report the actual operating deficit in its utility to the PUB where such deficit either exceeds \$10,000 or represents 5% of the utility's operating budget, and must advise the Board of the proposed method to recover the deficit.

In Order 105/04, the Board issued an order affecting all municipalities which set out the late payment fees to be charged on overdue utility accounts.

In Order 39/09, the Board issued an order affecting all public utility owners, setting out the conditions precedent for the disconnection of utility service for nonpayment. Disconnections can be appealed to the Board. There were no appeals on disconnections last year.

Pursuant to subsection 82(1) of *The Public Utilities Board Act*, the Board must approve utility amalgamations, decommissioning or transfers of ownership. There were no applications for decommissioning. There were three transfer of ownership from private to public utilities.

The PUB meets and communicates with officials of the Association of Manitoba Municipalities (AMM) and the Manitoba Municipal Administrators Association (MMAA) on a periodic basis to discuss water and wastewater issues.

The Board issued 63 water or wastewater orders during 2017-18, down from 78 orders in 2016-17. This was primarily as a result of human resources issues.

## **VII. Cemeteries and Prepaid Funeral Services**

*The Statutes Correction and Minor Amendments Act, 2013* received Royal Assent on December 5, 2013. This Act mandated the transfer of the responsibilities for the Cemeteries Act from the PUB to the Funeral Board. The PUB ceased issuing cemetery, columbarium, mausoleum crematory, owner and agent licences.

In June 2011, *The Grieving Families Protection Act* was passed by the Manitoba Legislature. The Act transferred the PUB's responsibilities pursuant to the *Prearranged Funeral Services Act* to the Funeral Board of Manitoba.

*The Prearranged Funeral Services Act* (PFSA) regulates the pre-arranged funeral industry in Manitoba. A funeral director providing funeral services for reward under prearranged funeral plans may be licensed by the PUB to enter into prearranged funeral plans. A licensee entering into a prearranged funeral plan is trustee of all monies paid under the plan, until (a) the funeral services mentioned in the plan have been provided in accordance with the plan; or (b) the moneys, or any unused balance have been refunded to the purchaser or paid to his personal representative. The licensee must, within the time prescribed in the regulations, pay the monies received from plan clients to an authorized trustee for deposit in a special fund; interest or income, if any, on such monies accrue to the purchaser.

Authority for the PFSA transferred from PUB to the Funeral Board as of September 1, 2017. Until then PUB staff continued to review trust account reports filed by licensees, settle disputes, investigate complaints and suspected wrongdoings by licensees.

From April 1, 2017 to September 1, 2017, the PUB issued 23 licences pursuant to the PFSA. The total amount held in trust by licensees for clients as of August 31, 2017 was \$43,546,216.42.

The PUB addressed inquiries and complaints during the Reporting Period as well as responded to investigation by the Winnipeg Police Services against specific funeral home operators. There were no hearings held or Orders issued by the PUB during the period between April 1, 2017 to September 1, 2017.



## **HIGHWAY TRAFFIC BOARD APPEALS**

Pursuant to section 21 of *The Highways Protection Act*, Highway Traffic Board decisions can be appealed to the PUB. These usually involve either driveway access to provincial highways, placement of buildings or the placement of signs, especially electronic signs, beside Manitoba highways. Appellants have included local landowners, businesses and Manitoba Infrastructure (MI).

The PUB inspects the physical site related to the dispute and holds a public hearing in the area. Decision criteria include fairness and road safety.

During 2017-18, the Board issued two Orders dealing with Highway Traffic Board appeals. The Board is uncertain of its future role in this area as the Government of Manitoba has eliminated the Highway Traffic Board.

## **THE EMERGENCY 911 PUBLIC SAFETY ANSWERING POINT ACT**

During 2005/06, *The Emergency 911 Safety Answering Point Act* was enacted. Applicants for provision of 911 service provision can appeal to the Board. To-date, no appeals have been filed.

## **CITY OF WINNIPEG CHARTER ACT (Passenger Transport)**

*The City of Winnipeg Charter Act* provides that, where the City signs an agreement with an operator to transport customers for a fixed fee within the City of Winnipeg, the agreement must be approved by the Board. The Board must also approve the operator, who then becomes subject to ongoing PUB oversight. Few of these agreements have been considered by the PUB; they have mostly been limited to transport services for children and the elderly.

No passenger transport agreements were signed by the City during 2017-18.

## **THE CONSUMER PROTECTION ACT**

### **Payday Loans**

Man. Reg. 50/2010, the regulation setting the maximum cost of credit for a payday loan under the *Consumer Protection Act (Manitoba)*, came into force on October 18, 2010. Pursuant to section 164(2) of the *Consumer Protection Act (Manitoba)*, the Board was required to conduct a review of issues related to pay day loans within three years after Man. Reg. 50/2010 came into force. The Board submitted that report to the Government

on September 23, 2013:

Pursuant to section 164.1(2) of *The Consumer Protection Act (Manitoba)*, every third year, the Minister responsible must review the effectiveness of Part XVIII of that Act and the related regulation and decide:

- a) whether to require a further review by the board in accordance with section 164 of the Act; and
- b) whether to recommend changes to the payday loans provisions of the Act or the regulations under this Part.

By his letter received June 30, 2015, the Minister responsible asked the PUB to review, no later than 2016, the maximum payday loan limits. The PUB was specifically asked to analyze the impacts of reducing the maximum allowable rate that may be charged for a payday loan, from \$17 per \$100 borrowed to \$15 per \$100 borrowed and the impacts of reducing the proportion of a borrower's net pay, which is used to determine the maximum loan amount from 30% to 25%.

The Board undertook the review and issued a report dated June 17, 2016 to the Minister. The Board believed that a balance was required between the financial viability of the payday loans industry and the needs to protect consumers from falling into a debt trap or debt spiral. Its recommendations were:

- The cost for a payday loan remain unchanged at 17% of principal loaned.
- The borrowing limit remain at 30% of net pay.
- The 5% "cooling-off period" rate cap imposed in the regulations only applies for a one day period. After that the client could take out another loan at the regular rate of 17%.
- If a borrower request, the lender would be required to extend the loan for at least another pay period or convert the loan to an installment loan, provided the borrower has successfully paid off three previous payday loans during the preceding 12 month period. If the instalment loan is issued the cap on the rate for the loan should be set at 7%. The instalment loan period should allow repayment over at least the next four pay periods, where no payment exceeds 35% of the sum of the principal and the cost of the borrowing.
- A 5% rate cap on extension renewal and replacement loans remain unchanged.
- Lenders be prohibited from making more than 10 payday loans to a customer in a consecutive 12 month period.

The PUB expects that it will receive a request from the Minister responsible later this year to undertake a public hearing to review the maximum payday loan limits in 2019 and issue a report to the Minister.

### **Maximum Fees for Cashing Government Cheques**

Pursuant to subsection 169(2) of *The Consumer Protection Act (Manitoba)*, the PUB must by Order fix the maximum amount or establish a rate, formula rate or tariff for determining the maximum amount that may be charged, required or accepted as a government cheque cashing fee. Subsection 169(5) of the Act requires that the PUB review its existing Orders under this section at least once every three years. Government cheques include cheques of the Government of Canada, Province of Manitoba and any government agency listed in the provincial regulation.

The formula was originally established by Order 72/07 and continued in Order 51/10.

In March 2014, the Board issued Order 25/14 maintaining the rate set in Order 51/10.

The Board undertook a review and issued Order 105/16, dated August 8, 2016, with the following recommendations:

1. The Province of Manitoba should consider providing banks and credit unions with indemnification for provincial government cheques accepted with adequate identification for cheques of \$1500 or lower.
2. The Province of Manitoba should work with financial institutions to reduce the holds on government cheques or eliminate the holds if indemnification is available for financial institutions accepting government cheques.
3. The Government of Manitoba should prepare a detailed report prior to the Board's next triennial review which demonstrates how the Employment and Income Assistance ("EIA") stakeholder communication efforts regarding cheque cashing have impacted participants.
4. The Province of Manitoba should expand opportunities for rural Manitobans to access low cost government issued identification.
5. The Province of Manitoba should create an outreach program regarding low cost government issued identification for Manitobans domiciled outside of the capitol region, and report to the Minister on its effectiveness, within 12-months of its deployment.
6. The Province of Manitoba should actively promote the MPI Identification Card to all EIA participants and continue to provide funding to participants to obtain this identification card.

7. The Province of Manitoba should continue to proactively promote the direct deposit of social assistance cheques in order to further increase the percentage of recipients' use of this mechanism.
8. The Province of Manitoba should mandate that all businesses domiciled in Manitoba cashing government cheques be required to post the regulated cheque cashing rates set by the Board.
9. The Province of Manitoba should create a robust compliance monitoring and sanctioning program in order to ensure that rates set by the Board are being adhered to and, if not, that appropriate penalties be assessed. Additionally, a public report on compliance and sanctioning initiatives should be provided to the Minister on an annual basis.
10. The Province of Manitoba should mandate that periodic inserts be included with government cheques involving promotion materials pertaining to:
  - a. the direct deposit option;
  - b. the low fee accounts offered by financial institutions; and
  - c. MPI's free identification card for eligible applicants.
11. The Province of Manitoba should mandate the Consumer Protection Office to conduct research to determine whether *The Consumer Protection Act* should apply to other types of cheques, and include the research findings and its recommendations in its next triennial report.
12. The Government of Manitoba should undertake research into the risks, costs and effects of extending *The Consumer Protection Act's* cheque cashing provisions to other types of cheques than government cheques.
13. The Government of Manitoba should continue to fund programs that assist community members to obtain government issued identification and improve their financial literacy.
14. The list of government agencies whose cheques are subject to the maximum fees set by the Board should be expanded to include:
  - a. All agencies included within the Summary Accounts of the Province of Manitoba; and
  - b. Municipal governments.

The PUB expects that it will receive a request from the Minister responsible later this year to review the maximum fees for cashing government cheques next year and issue recommendations to the Minister.

## **PUB GOVERNANCE AND ADMINISTRATION**

### **Board's Rules of Practice and Procedure**

The PUB adheres to relevant legislation and its Rules of Practice and Procedure:

[http://www.pubmanitoba.ca/v1/pdf/pandp/rules\\_pandp\\_mar07.pdf](http://www.pubmanitoba.ca/v1/pdf/pandp/rules_pandp_mar07.pdf)

This framework provides assurance and guidance to regulated utilities, interveners, Members of the Legislative Assembly, government and other interested parties about the PUB management of its processes.

### **PUB Members, Employees and Advisors**

The PUB Act specifies a minimum complement of three members, including a full-time Chair who is also the Chief Executive Officer, but does not specify the maximum number of members. All appointees serve at the pleasure of the Lieutenant-Governor. With the exception of the full-time Chair, all members are part-time and receive the prescribed remuneration for their services.

Members are subject to the PUB's Code of Conduct:

[http://www.pubmanitoba.ca/v1/pdf/misc/members\\_code-2011.pdf](http://www.pubmanitoba.ca/v1/pdf/misc/members_code-2011.pdf)

Members complete a conflict of interest declaration every year.

### **Members of the Board as at March 31, 2018:**

Robert Gabor, Q.C., B.A., LLB, Chair

Marilyn Kapitany, B.Sc. (Hons), M.Sc., Vice-Chair

Hugh Grant, Ph.D. (Economics)

Larry Ring, Q.C., B.A., LLB

Carol Hainsworth, C.B.A.

Susan Nemec, FCPA, FCA

Sharon McKay, B.GS

Shawn McCutcheon

Rheal Teffaine, Q.C.

Robert Vandewater, B.A., FCSI, CPA (Hon.), CA (Hon.), KStJ, CD.

Michael Watson

Irene Hamilton, B.A., LLB

A brief biography of the members is available on the PUB's website at:

<http://www.pubmanitoba.ca/v1/about-pub/faq/members.html>

### **PUB Employees as at March 31, 2018**

Darren Christle, MPA, B.A., CCLP, P. Log., MCIT, Secretary and Executive Director

Kurt Simonsen, BSc (Engineering), M.N.R.M., Associate Secretary

Diana Villegas, Acting Administrative Officer (on leave)

Rachel McMillin, Acting Assistant Associate Secretary

Kristen Schubert, Acting Judicial Hearing Assistant

Angela Wilde, Executive Coordinator to the Chair/Acting Office Manager

Marjorie Ostrander, Receptionist

Denise Carriere, Acting Administrative Officer

### **Advisors**

Under the PUB Act, the PUB has the authority to retain advisors to assist in fulfilling its obligations.

The PUB relies on expert advisors from the fields of accounting, actuarial science, engineering and law. Its regular advisors as at March 31, 2018 were:

Accounting                      Roger Cathcart, Cathcart Advisors Inc.  
    Curtis Batten, Cathcart Advisors Inc.

Actuarial Science              Brian Pelly, Eckler Partners LLP

Engineering                     Brady Ryall, Ryall Engineering Ltd.  
    David Bonin, Ryall Engineering Ltd.

Legal                                Robert Peters, Fillmore Riley LLP  
    Dayna Steinfeld, Fillmore Riley LLP  
    Kathleen McCandless, Pitblado LLP  
    Robert Watchman, Pitblado LLP

PUB advisors are subject to and paid in accordance with the Board's Policy and Billing Rates for Advisory Services.

## FINANCIAL INFORMATION

**Public Utilities Board**  
**Statement of Revenues and Expenditures**  
**As of March 31, 2018**

	<u>2017-18</u> (\$000's)	<u>2016-17</u> (\$000's)
<b>Sources of funding</b>		
Appropriation	\$ 1,564	\$ 1,500
	<hr/> \$ 1,564	<hr/> \$ 1,500
<b>Expenditures</b>		
Salaries & per diems	\$ 921	\$ 951
Rate regulation and safety related costs	\$ 0	\$ 0
General overheads (rent, technology, utilities, etc.)	\$ 464	\$ 546
	<hr/> \$ 1,385	<hr/> \$ 1,497
<b>Excess (shortfall) of revenues over expenses</b> <sup>1</sup>	<hr/> <u>\$179</u>	<hr/> <u>\$ 3</u>
 <b>Net Government Funding of the PUB</b>		
Appropriation spent by PUB <sup>1</sup>	\$ 1,385	\$ 1,500
Fees collected by the PUB <sup>2</sup>	\$ 827	\$ 1,108
<b>Net government funding to the PUB</b>	<hr/> <u>\$ 558</u>	<hr/> <u>\$ 392</u>

<sup>1</sup> PUB fees are paid by utilities and licensees into the Consolidated Revenue Fund via the Minister of Finance.

Expenses of the PUB are paid out of the departmental appropriation.

<sup>2</sup> Unspent appropriated funds are not accumulated in PUB reserves.

## SUMMARY OF PUB ACTIVITIES

### Licences Issued

2017-18

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	2017-18	2016-17
<b>Direct Purchase of Natural Gas</b>		
Brokers	9	9
<b><i>The Prearranged Funeral Services Act</i></b>		
Licences	23	30
<b>Total licenses issued</b>	<b>32</b>	<b>39</b>



## Orders Issued

2017-18

	2017-18		2016-17	
<b>Regulated Industry Orders</b>				
Water and Sewer Utilities				
Applications for rates	25		23	
Applications to address deficits	11		19	
Applications to address rates and deficits	7		4	
Review and Vary decisions	6		7	
Miscellaneous, including complaints	<u>14</u>	63	<u>15</u>	68
Manitoba Hydro				
Electricity operations	66		61	
Centra Gas Manitoba Inc.	<u>5</u>	71	<u>6</u>	67
Natural Gas and Propane Utilities and Pipelines				
Stittco Utilities Man Ltd.	6		6	
Pipeline gas safety	<u>0</u>	6	<u>1</u>	7
Manitoba Public Insurance	11		6	
<i>The Highways Protection Act</i>	2		5	
Fees for cashing Government Cheques	0		1	
Maximum Charges for Payday Loans	0		1	
<i>The Prearranged Funeral Services Act</i>	0		0	
Orders made of PUB's own motion	<u>1</u>	14	0	
<b>Total number of Orders issued</b>		<b><u>154</u></b>		<b><u>155</u></b>

Note: Copies of the decisions of The Public Utilities Board of Manitoba are available from the PUB's office upon request, and are posted on the PUB's website (<http://www.pubmanitoba.ca/v1/proceedings-decisions/orders/index.html>). The Orders indicated above include Orders related to applications for costs by interveners in the PUB's processes.

**Summary of Board Orders Issued 2017/2018**

ORDER NO.	APPLICANT	SUMMARY
35/17	Rural Municipality of Springfield	Springfield Utility Water and Wastewater Rates
36/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of April 10, 2017 to April 16, 2017 of the Surplus Energy Program Rates
37/17	Town of Swan River	Water and Wastewater Utility – Actual Operating Deficits for 2014 and 2015
38/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of April 17, 2017 to April 23, 2017 of the Surplus Energy Program Rates
39/17	Municipality of Pembina	Water and Wastewater Utility – Budgeted Operating Deficit for 2017
40/17	Rural Municipality of Cartier	Springstein Water Standpipe – Lido Plage Utility
41/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of April 24, 2017 to April 30, 2017 of the Surplus Energy Program Rates
42/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of May 1, 2017 to May 7, 2017 of the Surplus Energy Program Rates
43/17	Stittco Utilities Man Ltd.	Propane Rates Effective May 1, 2017

ORDER NO.	APPLICANT	SUMMARY
44/17	Centra Gas Manitoba Inc.	Primary Gas Rate Application Effective May 1, 2017
45/17	Manitoba Hydro	An Interim Ex Parte Approval – Curtailable Rate Program Reference Discount, effective April 1, 2017
46/17	Country Signs Inc.	Appeal of the Highway Traffic Board Decision dated January 12, 2017 – File No. 1/075/083/S/16
47/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of May 8, 2017 to May 14, 2017 of the Surplus Energy Program Rates
48/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of May 15, 2017 to May 21, 2017 of the Surplus Energy Program Rates
49/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of May 22, 2017 to May 28, 2017 of the Surplus Energy Program Rates
50/17	Municipality of Louise	Crystal City Wastewater Utility – Approval to Withdraw Rate Application
51/17	Granite Hills Golf Club	Granite Hills Private Water Utility
52/17	Rural Municipality of St. Clements	Grand Marais Wastewater Utility
53/17	Green Action Centre	Award of Costs: Intervention in the Manitoba Hydro Cost of Service Methodology Review 2015/2016

ORDER NO.	APPLICANT	SUMMARY
54/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of May 29, 2017 to June 4, 2017 of the Surplus Energy Program Rates
55/17	Centra Gas Manitoba Inc.	Franchise Application (Municipality of Grassland)
56/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of June 5, 2017 to June 11, 2017 of the Surplus Energy Program Rates
57/17	Rural Municipality of Hanover	Blumenort Wastewater Rates July 1, 2017 and January 1, 2018
58/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of June 12, 2017 to June 18, 2017 of the Surplus Energy Program Rates
59/17	City of Morden	Amendment to Utility By-law
60/17	Rural Municipality of Tache	LUD of Landmark Water and Wastewater Rates – LID No. 3 – July 1, 2017, January 1, 2018 and 2019
61/17	Rural Municipality of Woodlands	Woodlands Wastewater Utility – Lagoon Tipping Fees
62/17	Town of Lac du Bonnet	Water and Wastewater Utility System Development Charge
63/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of June 19, 2017 to June 25, 2017 of the Surplus Energy Program Rates

ORDER NO.	APPLICANT	SUMMARY
64/17	Husky Oil Limited	An Order in Respect of the Complaint by Husky Oil Limited against the Town of Minnedosa's Water and Wastewater Rates
65/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of June 26, 2017 to July 2, 2017 of the Surplus Energy Program Rates
66/17	Town of Melita	Wastewater Rates July 1, 2017, January 1, 2018 and 2019
67/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of July 3, 2017 to July 9, 2017 of the Surplus Energy Program Rates
68/17	City of Flin Flon	An Order Varying Board Order No. 93/16 for the City of Flin Flon Water and Wastewater Utility
69/17	Municipality of North Norfolk	Rural Water Utility Water Rates July 1, 2017 and January 1, 2018, 2019 and 2020
70/17	Manitoba Hydro	Procedural Order in Respect of Manitoba Hydro's 2017/18 and 2018/19 General Rate Application
71/17	Municipality of North Norfolk	L.U.D. of Austin Water and Wastewater Rates – July 1, 2017 and January 1, 2018, 2019 and 2020
72/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of July 10, 2017 to July 16, 2017 of the Surplus Energy Program Rates
73/17	Manitoba Public Insurance	Procedural Order (2018/19 Rates and Premiums for Compulsory Driver and Vehicle Insurance), Timetable for a Public Hearing, Approval of Interveners and Approval of Issues

ORDER NO.	APPLICANT	SUMMARY
74/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of July 17, 2017 to July 23, 2017 of the Surplus Energy Program Rates
75/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of July 24, 2017 to July 30, 2017 of the Surplus Energy Program Rates
76/17	Rural Municipality of Dauphin	An Order Varying Board Order No. 91/16 for the Rural Municipality of Dauphin – Water Utility – Initial Water Rates
77/17	Stittco Utilities Man Ltd.	Propane Rates Effective August 1, 2017
78/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of July 31, 2017 to August 6, 2017 of the Surplus Energy Program Rates
79/17	Centra Gas Manitoba Inc.	Primary Gas Rate Application and Approval of Non-Primary Gas Rates, Effective May 1, 2017
80/17	Manitoba Hydro	An Application by Manitoba Hydro for a 7.9% Interim Rate Increase Effective August 1, 2017
81/17	Municipality of Russell-Binscarth	Russell Water and Wastewater Utility Lagoon Tipping Fees
82/17	Manitoba Hydro	An Order in Respect of Manitoba Hydro's Process Motion for Confidential and Commercially Sensitive Documents Requested in Manitoba Hydro's 2017/18 and 2018/19 General Rate Application
83/17	Sherry Allan	Appeal of the Highway Traffic Board Decision dated March 2, 2017 – File No. 3/083/260/A/16

ORDER NO.	APPLICANT	SUMMARY
84/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of August 7, 2017 to August 13, 2017 of the Surplus Energy Program Rates
85/17	Manitoba Hydro	Order Approving Manitoba Hydro's Rate Filings for Interim August 1, 2017 Rates
86/17	Water and Wastewater	An Order Respecting Water and/or Wastewater Utilities Simplified Rate Application Process and Revised Minimum Filing Requirements for Municipally Owner Public Utilities
87/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of August 14, 2017 to August 20, 2017 of the Surplus Energy Program Rates
88/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of August 21, 2017 to August 27, 2017 of the Surplus Energy Program Rates
89/17	General Service Small/General Service Medium Customer Class Group	Award of Costs: Intervention in the Manitoba Hydro Cost of Service Methodology Review 2015/2016
90/17	City of Winnipeg	Award of Costs: Intervention in the Manitoba Hydro Cost of Service Methodology Review 2015/2016
91/17	Consumers' Association of Canada (Manitoba) Inc. & Winnipeg Harvest (The Coalition)	Award of Costs: Intervention in the Manitoba Hydro Cost of Service Methodology Review 2015/2016
92/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of August 28, 2017 to September 3, 2017 of the Surplus Energy Program Rates
93/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of September 4, 2017 to September 10, 2017 of the Surplus Energy Program Rates

ORDER NO.	APPLICANT	SUMMARY
94/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of September 11, 2017 to September 17, 2017 of the Surplus Energy Program Rates
95/17	Rural Municipality of Whitemouth	Requested Clarification of Board Order Number 140/10
96/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of September 18, 2017 to September 24, 2017 of the Surplus Energy Program Rates
97/17	Manitoba Industrial Power Users Group (MIPUG)/Intergroup	Award of Costs: Intervention in the Manitoba Hydro Cost of Service Methodology Review 2015/16
98/17	Rural Municipality of Hanover	Cost Allocation Methodology – Mitchell Wastewater Utility, New Bothwell Wastewater Utility, Blumenort Wastewater Utility, Kleefeld Water and Wastewater Utility & Grunthal Water and Wastewater Utility
99/17	Rural Municipality of Rockwood	Stony Mountain Water and Wastewater Utility Interim Rates – Actual Operating Deficits for 2013, 2014 and 2015
100/17	Riverdale Municipality	Rivers Utility Septic Waste Disposal Fees
101/17	Rural Municipality of St. Clements	Rural Municipality of St. Clements' Decision on Request to Review and Vary Board Order Number 52/17 for Grand Marais Utility
102/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of September 25, 2017 to October 1, 2017 of the Surplus Energy Program Rates
103/17	Municipality of Harrison Park	Approval for Transfer of Ownership of Poplar Ridge Properties Inc. – Water Distribution System to Municipality of Harrison Park – Onanole Utility



ORDER NO.	APPLICANT	SUMMARY
104/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of October 2, 2017 to October 8, 2017 of the Surplus Energy Program Rates
105/17	Municipality of Pembina	Order approving the revised wastewater rates effective January 1, 2018 and 2019 for the Municipality of Pembina Local Urban District (LUD) of Darlingford sewage Collection System (Utility), and also the 2016 anticipated operating deficit
106/17	Municipality of Pembina	Approval of revised wastewater rates effective January 1, 2018 and 2019 for the Municipality of Pembina Local Urban District (LUD) of La Riviere Utility and approves the 2016 anticipated operating deficit
107/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of October 9, 2017 to October 15, 2017 of the Surplus Energy Program Rates
108/17	Manitoba Keewatinowi Okimakanak (MKO)	Award of Costs: Intervention in the Manitoba Hydro Cost of Service Methodology Review 2015/16
109/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of October 16, 2017 to October 22, 2017 of the Surplus Energy Program Rates
110/17	Rural Municipality of Mountain	Local Urban District of Mafeking Final Water Rates and 2017 Deficit Recovery
111/17	Manitoba Hydro	An Application for Interim Ex Parte Approval for the Week of October 23, 2017 to October 29, 2017 of the Surplus Energy Program Rates
112/17	Manitoba Hydro	Motions by Manitoba Hydro Seeking Confidential Treatment of Information in the 2017/18 & 2018/18 General Rate Application and Motion by the Consumers Coalition Seeking Access to Documents Claimed as Confidential
113/17	Municipality of Mountain	Public Utilities Board approves as final the water and waster water rates as applied for by the Rural Municipality of Mountain (RM) – Birch River water and Wastewater Utility

ORDER NO.	APPLICANT	SUMMARY
1/18	Manitoba Hydro	An Application by Manitoba Hydro for Interim Ex Parte Approval for the Week of January 8, 2018 to January 14, 2018 of the Surplus Energy Program Rates
2/18	Manitoba Motorcycle Group Inc.	Award of Costs: Coalition of Manitoba Motorcycle Groups Inc. – Intervention in Manitoba Public Insurance Corporation's General Rate Application for the 2018/19 Insurance Year
3/18	Consumers Association of Canada – Manitoba Branch (CAC Manitoba)	Award of Costs: Consumers Association of Canada-Manitoba Branch (CAC Manitoba) – Intervention in Manitoba Public Insurance Corporation's General Rate Application for the 2018/19 Insurance Year
4/18	Rural Municipality of West St. Paul	Rural Municipality of West St. Paul River's Edge Wastewater Utility 2014 Actual Operating Deficit Recovery
5/18	Town of Altona	Town of Altona Water and Wastewater Utility Rates January 1, 2018, 2019, and 2020
6/18	City of Thompson	Transfer of Ownership of Vale Thompson Water Treatment Plant to the City of Thompson Water and Wastewater Utility
7/18	Manitoba Public Insurance Corporation	Manitoba Public Insurance Corporation (MPI or the Corporation): Compulsory 2018/19 Driver and Vehicle Insurance Premiums and Other Matters – Variation of Order 130/17
8/18	Manitoba Hydro	An Application by Manitoba Hydro for Interim Ex Parte Approval for the Week of January 15, 2018 to January 21, 2018 of the Surplus Energy Program Rates
9/18	City of Thompson	City of Thompson Water and Wastewater Utility Interim ex parte Water and Wastewater Rates
10/18	Bike Winnipeg	Award of Costs: Bike Winnipeg – Intervention in Manitoba Public Insurance Corporation's General Rate Application for the 2018/19 Insurance Year

ORDER NO.	APPLICANT	SUMMARY
11/18	Manitoba Public Insurance Corporation	Manitoba Public Insurance Corporation (MPI or The Corporation): Application for Interim 2018/19 Vehicles for Hire Premium Rates
12/18	Rural Municipality of Whitemouth	The Rural Municipality of Whitemouth Water Utility, Sewer Utility, and Seven Sisters Sewer Utility Approval to Withdraw Rate Application
13/18	Town of Carman	Town of Carman Water and Wastewater utility 2015 and 2016 Actual Operating Deficit Recovery
14/18	City of Portage La Prairie	City of Portage la Prairie Water and Wastewater Utility Final Water and Wastewater Rates
15/18	Manitoba Hydro	An Application by Manitoba Hydro for Interim Ex Parte Approval for the Week of January 22, 2018 to January 28, 2018 of the Surplus Energy Program Rates
16/18	Centra Gas Manitoba Inc.	Centra Gas Manitoba Inc.: Primary Gas Rate Application, Effective February 1, 2018
17/18	Manitoba Hydro	An Application by Manitoba Hydro for Interim Ex Parte Approval for the Week of January 29, 2018 to February 4, 2018 of the Surplus Energy Program Rates
18/18	Municipality of Russel-Binscarth	An Order Respecting The Municipality of Russell-Binscarth, Russell Utility Interim Bulk Water Rates
19/18	Stittco Utilities Manitoba Ltd.	Stittco Utilities Man Ltd. Propane Rates Effective February 1, 2018
20/18	Manitoba Hydro	An Application by Manitoba Hydro for Interim Ex Parte Approval for the Week of February 5, 2018 to February 11, 2018 of the Surplus Energy Program Rates

ORDER NO.	APPLICANT	SUMMARY
21/18	Manitoba Hydro	An Application by Manitoba Hydro for Interim Ex Parte Approval for the Week of February 12, 2018 to February 18, 2018 of the Surplus Energy Program Rates
22/18	Rural Municipality of Mountain	An Order Varying BO No. 113/17 Rural Municipality of Mountain LUD of Birch River Final Water and Wastewater Rates and 2014 Deficit Recovery
23/18	Rural Municipality of Mountain	Order Varying BO No. 110/17 RM of Mountain - LUD of Mafeking Final Water Rates and 2014 Deficit Recovery
24/18	Rural Municipality of Coldwell	The Rural Municipality of Coldwell Lunder Wastewater Utility Wastewater Rates - January 1, 2018
25/18	Manitoba Hydro	An Application by Manitoba Hydro for Interim Ex Parte Approval for the Week of February 19, 2018 to February 25, 2018 of the Surplus Energy Program Rates
26/18	Municipality of Harrison Park	Municipality of Harrison Park LUD of Newdale Revised Wastewater Rates January 1, 2018, 2019, and 2020
27/18	City of Steinbach	City of Steinbach Water and Wastewater Utility Rates April, 1, 2018, January 1, 2019 and 2020
28/18	Manitoba Hydro	An Application by Manitoba Hydro for Interim Ex Parte Approval for the Week of February 26, 2018 to March 4, 2018 of the Surplus Energy Program Rates
29/18	Manitoba Public Insurance Corporation	Manitoba Public Insurance Corporation (MPI or The Corporation): Compulsory 2018/2019 Driver and Vehicle Insurance Premiums and Other Matters - Application for Review and Variance of Order 130/17
30/18	Manitoba Hydro	An Application by Manitoba Hydro for Interim Ex Parte Approval for the Week of March 5, 2018 to March 11, 2018 of the Surplus Energy Program Rates

ORDER NO.	APPLICANT	SUMMARY
31/18	Municipality of Westlake-Gladstone	Municipality of Westlake-Gladstone Yellowhead Regional Utility Line Revised Water Rates March 1, 2018 and December 1, 2018
32/18	Rural Municipality of Victoria Beach	Rural Municipality of Victoria Beach Albert Beach Water Utility Revised Water Rates for 2018, 2019 and 2020 Recovery of Actual Operating Deficit for 2016 Recovery of Anticipated Operating Deficit for 2017
33/18	Municipality of Riverdale	Riverdale Municipality Rural Water Line Utility 2015 Actual Operating Deficit Recovery
34/18	Town of the Pas	Town of the Pas Water and Wastewater Utility Rates April 1, 2018, January 1, 2019 and 2020
35/18	The Municipality of La Broquerie	The Municipality of La Broquerie - La Broquerie Wastewater Utility Initial Interim Lagoon Tipping Fees
36/18	Manitoba Hydro	An Application by Manitoba Hydro for Interim Ex Parte Approval for the Week of March 12, 2018 to March 18, 2018 of the Surplus Energy Program Rates
37/18	Rural Municipality of Ellice	Rural Municipality of Ellice-Archie McAuley Water and Wastewater Utility 2016 Actual Operating Deficit Recovery
38/18	Rural Municipality of Ellice-Archie - St. Lazare	Rural Municipality of Ellice-Archie St. Lazare Water and Wastewater Utility Final Water and Wastewater Rates 2015 and 2016 Operating Deficit Recovery
39/18	Manitoba Hydro	An Application by Manitoba Hydro for Interim Ex Parte Approval for the Week of March 19, 2018 to March 25, 2018 of the Surplus Energy Program Rates
40/18	Manitoba Hydro	An Application by Manitoba Hydro for Interim Ex Parte Approval for the Week of March 21, 2018 to April 1, 2018 of the Surplus Energy Program Rates

ORDER NO.	APPLICANT	SUMMARY
41/18	Village of Dunnottar	Village of Dunnottar Wastewater Utility Wastewater Rates for 2018, 2019 and 2020
42/18	City of Thompson	An Order Varying Board Order 06/18 Transfer of Ownership of Vale Thompson Water Treatment Plant to the City of Thompson Water and Wastewater Utility
43/18	Town of Winnipeg Beach	Town of Winnipeg Beach Winnipeg Beach Utility Interim ex parte Water and Wastewater Rates
44/18	Manitoba Hydro	An Application by Manitoba Hydro for Interim Ex Parte Approval for the Week of April 2, 2018 to April 8, 2018 of the Surplus Energy Program Rates