

July 6, 2021

THE PUBLIC UTILITIES BOARD OF MANITOBA
400-330 Portage Avenue
Winnipeg, Manitoba
R3C 0C4

ATTENTION: Dr. D. Christle, Board Secretary and Executive Director

Dear Dr. Christle:

**RE: CENTRA GAS MANITOBA INC. (“CENTRA”)
Comments on Applications for Intervener Status for Centra’s Rate Re-bundling Application**

On June 25, 2021, the Public Utilities Board of Manitoba (“PUB”) issued Order 69/21 providing procedural direction with respect to the review of Centra’s Rate Re-bundling Application. In the Order, the PUB required interested parties to provide applications for intervener status within seven days of the Order, and for Centra to provide any comments on the intervener applications within three days of the request to intervene. Centra is in receipt of the intervener applications from Direct Energy and the Consumers Association of Canada (Manitoba) Inc. (“CAC”) and provides its comments with respect to these applications herein.

With respect to Direct Energy’s application for intervener status, Centra notes that the key issue it expects to address is the potential impact on competition of the proposed change in the Western Transportation Service (“WTS”) delivery point for natural gas marketers from Empress to AECO. Centra does not object to Direct Energy’s proposed intervention.

Centra has several concerns with respect to CAC’s application for intervener status:

1. The PUB’s form to request intervener status specifically asks and requires organizations to provide the number of members within the organization. Despite CAC’s claim that it (notionally) represents the interests of each and every one of Centra’s residential customers, CAC’s application is incomplete as it fails to provide the current number of members within the CAC organization.
2. CAC’s application fails to specify or describe any key issues within the Application that are of significant concern to its members in supporting or justifying its request for intervener status. Instead, CAC relies on the generic statement that it intends on completing a “comprehensive intervention” which if approved by the PUB as submitted would enable a “carte blanche” intervention at an hourly cost of \$826 (the combined rates of CAC’s legal counsel and two proposed consultants). This is of particular concern given the stakeholder engagement and consultation on customer research with representatives of CAC. To now suggest that CAC requires a “comprehensive intervention” without providing any specific initial concerns or issues is disappointing to Centra and should be to the PUB as well.

CAC did state that the purpose of its proposed intervention is to evaluate the potential impact on costs to consumers.

To be clear, Centra is not seeking approval of rates as part of this application. Forecast gas costs and customer bill impacts were provided for illustrative purposes to demonstrate the minimal impact on customer bills (i.e. zero for most classes, including residential).

CAC also cites the PUB's mandate of needing to balance the "interest of utility ratepayers, and the financial health of the utility". However, the Application does not represent any conflict in these objectives. The Application has no impact on the financial health of the utility and delivers a customer-centric improvement in accordance with the input received directly from Centra's actual customers.

CAC also states that it is intervening given the Application's impact on the way customers view and access information about their costs. Ms. Gloria Desorcy, CAC's Executive Director, was involved in the customer research conducted by Centra. In fact, Centra incorporated feedback received from CAC in the customer research activities and relied on direct feedback from its actual customers. Centra's Application seeks to change the way customers view and access information for the better, according to customers themselves.

3. CAC proposes to engage two consultants as part of this process with one consultant to evaluate "technical issues" and the other consultant to evaluate "policy issues". However, as noted above, no specific "technical" or "policy" issues of any significant concern were identified by CAC as part of its application for intervener status. Without addressing the issue of whether the two proposed consultants have any specific expertise relevant to the Application itself, or how they would add any specific value to the process, the proposed engagement of two consultants to assist CAC in the circumstances of this Application and the related process is excessive considering the very limited scope of the Application. In particular, given the actual mandate of CAC and the fact that Ms. Desorcy was directly consulted with and involved throughout the entire stakeholder engagement process leading up to this Application, CAC itself is knowledgeable of the specific matters within the Application such to afford its own opinions on behalf of CAC's members without any assistance from not one, but two, consultants. Centra reiterates that the changes being proposed in the Application are based on positive customer feedback and direct input from WTS marketers.
4. CAC indicates that *"depending on need CAC Manitoba may seek the services of a professional research firm on matters requiring customer input"*. As discussed in Centra's Application, Centra engaged Prairie Research Associates to undertake market research to gauge customer preferences with respect to unbundled and re-bundled rates. Ms. Desorcy had the opportunity to review the focus group approach and provide direct input prior to the focus groups taking place, and also attended the first two focus group sessions held in Winnipeg. She expressed no significant concern and appeared supportive of the approach taken to obtain feedback directly from customers.

Given that CAC was directly involved in the market research undertaken to inform Centra's Application, Centra submits that it is unnecessary and would be an expensive duplication of efforts if CAC were approved to engage the services of another professional research firm to obtain further customer input on a relatively straight-forward matter. Having ratepayers bearing costs to duplicate efforts already taken with direct input from CAC would be wasteful and not in the best interests of Centra's customers.

Centra appreciates the opportunity to provide comments. Should you have any questions with respect to this submission, please contact the writer at 204-360-3257 or Darryl Martin at 204-360-4487.

Yours truly,

MANITOBA HYDRO LEGAL SERVICES

Per:



Brent Czarnecki
Barrister & Solicitor