

**Order No. 88/23**

**SIXTH PROCEDURAL ORDER  
IN RESPECT OF  
MANITOBA HYDRO'S 2023/24 AND 2024/25 GENERAL RATE APPLICATION  
(Adjudication of Residual Claims for Confidentiality)**

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**July 27, 2023**

**BEFORE: Marilyn Kapitany, B.Sc., M.Sc., Vice Chair  
Carol Bellringer, FCPA, FCA, Member  
George Bass, K.C., ICD. D., Member**

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## **1.0 OVERVIEW AND PROCEDURAL HISTORY**

This is the sixth procedural order of the Public Utilities Board (“Board”) in the hearing of Manitoba Hydro’s 2023/24 and 2024/25 General Rate Application (the “Application”). In this order, the Board adjudicates the remaining claims for confidentiality by Manitoba Hydro for certain documentation filed on the record.

In the first procedural order released on December 8, 2022 (Order 130/22), the Board approved several Interveners and established a hearing process with two rounds of Information Requests to be directed to Manitoba Hydro.

In the second procedural order released on January 23, 2023 (Order 9/23), the Board ruled several information requests out of scope and varied others.

In the third procedural order released on February 23, 2023 (Order 24/23), the Board updated the hearing timetable for various interlocutory steps.

In the fourth procedural order released on April 11, 2023 (Order 42/23), the Board established issues in scope for oral evidence, gave procedural directions for the delivery of oral evidence, and established an initial public oral evidentiary hearing schedule.

In the fifth procedural order released on May 2, 2023 (Order 57/23) the Board established a timetable for the oral portion of the hearing, adjudicated previous claims for confidentiality, and ruled on a proposal by the Manitoba Industrial Power Users Group (MIPUG) to offset several regulatory deferral accounts against a portion of Manitoba Hydro’s net income.

The oral evidentiary portion of the hearing began on May 15, 2023 and concluded on June 19, 2023.

The Board expects this to be the last procedural order in this Application.

## **2.0 ADJUDICATION OF CLAIMS FOR CONFIDENTIALITY**

### **2.1 General**

In the course of hearing the Application, the Board received several requests from Manitoba Hydro seeking permission to file certain information in confidence in accordance with Rule 13 of the Board's *Rules of Practice and Procedure*. Rule 13(2) allows the Board to receive information in confidence if, in the Board's view, the information could reasonably be expected to result in undue financial loss or gain to a person directly or indirectly affected by the proceeding, or to harm significantly that person's financial position. Alternatively, the Board may receive information in confidence if the information is personal, financial, commercial, scientific or technical in nature, or has been consistently treated as confidential by a person directly affected by the proceeding, and the Board considers the interest in confidentiality to outweigh the public interest in hearings being public.

Earlier requests for confidentiality were dealt with in the Board's first Procedural Order and fifth Procedural Order.

Manitoba Hydro has developed a table of redaction codes that provide reasons why Manitoba Hydro considers the information to be confidential. These redaction codes are used as a shorthand for its claims for confidentiality. A copy of Manitoba Hydro's redaction codes is set out in Appendix A of this order.

The Board's adjudication of Manitoba Hydro's requests is as set out in Appendix B of this order, with additional reasons with respect to two redactions set out in section 2.2 below.

### **2.2 SAP S/4HANA Phase 0 Contract Redactions**

Manitoba Hydro has retained EY, an international consulting firm, to conduct Phase 0 of Manitoba Hydro's SAP S/4HANA cloud computing project. Phase 0 is the project scoping and investigation phase, intended to develop a business case.

Manitoba Hydro requests that the quoted price of EY's Phase 0 work be redacted. The redaction request affects the following documents:

- PUB/MH II-11(1-d) Attachment 1, p. 19-20
- MH-CSI-9 Response to Undertaking 1

The Board denies this redaction request. While Manitoba Hydro confirmed, in response to an undertaking request, that EY would prefer the information to remain confidential, the agreement itself does not contain a confidentiality clause and there is no obligation on Manitoba Hydro to maintain the amount in confidence. The information Manitoba Hydro seeks to keep confidential is the global contract amount. The Board finds that this information does not constitute commercially sensitive information within the meaning of Rule 13. In the public sector context, global contract amounts are often a matter of public record, and the Board finds that it is appropriate to disclose the amount paid for the Phase 0 portion of the project. Manitoba Hydro is directed to file an unredacted copy of the documents on the record.

### 3.0 IT IS THEREFORE ORDERED THAT:

1. Manitoba Hydro's claims for confidentiality are disposed of as set out in Appendix B.

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

THE PUBLIC UTILITIES BOARD

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

"Rachel McMillin, B.Sc."  
Associate Secretary

Certified a true copy of Order No. 88/23  
issued by The Public Utilities Board



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Associate Secretary

**APPENDIX A – REDACTION CODES PROVIDED  
BY MANITOBA HYDRO**

1. Party/Contract Specific Detail (information provided to MH with an expectation that confidentiality will be maintained), for example:
  - a) Detailed business arrangements with third parties to construct/operate/own facilities;
  - b) Specific pricing, terms, conditions in contracts or third-party responses to request for proposals related to the construction procurement of a generation, transmission or distribution resource on the MH system;
  - c) Specific domestic customer load information, current or forecast;
  - d) Specific affected parties including mitigation or compensation not already available in public forum;
  - e) Information subject to statutory or contractual confidentiality provisions.
2. Technical Information or Intellectual Property
  - a) Owned by Manitoba Hydro e.g. Consensus Export Price Forecast;
  - b) Owned by a third party
3. Power Contracts, Revenue & Price Forecast Information for example:
  - a) Specific data, forecast, terms, conditions, prices, revenue projections contained in reports, agreements, contracts, proposals, term sheets together with information which facilitates back calculation of the foregoing information;
  - b) Manitoba Hydro commodity price forecasts for electricity, natural gas and carbon including annual pricing escalators including third party proprietary input forecasts;
4. Documents Related to Risk/Benefit Identification, Quantification and Strategic Actions for example:
  - a) Sales and marketing strategies/initiatives;

- b) Identification of risks and benefits with details on relative significance, quantification, strategic actions and timeframes. Identification of specific parties who have an interest in or ability to influence the risk/benefit outcomes.
5. Sensitive Analysis and Operational Data Facilitating Back Calculation for example:
- a) Resource planning assumptions and analysis including the generation component of marginal cost;
  - b) Committed and uncommitted capacity and energy surplus quantities for export;
  - c) Breakdown of export sales quantity or revenue by product type, customer or province.
6. Utility Practice Techniques for example:
- a) Detailed solution techniques utilized in MH's short- and long-term planning of capacity, energy and water management with specific reference to the mathematical representation of the hydraulic or transmission system and the electricity market.
7. Resource, Project or Sale Cost and Benefit Analysis where such information could negatively impact Manitoba Hydro's negotiating power for example:
- a) Detailed cost estimates of new resources planned or in development on MH system, budget and contingency information related to projects and/or specific project components;
  - b) Estimate of economic or financial benefits (i.e., Net Present Value, revenue projections, Internal Rate of Return) of development plans or sales evaluations.
8. Sensitive Relationship Management Information for example:
- a) Employment, labour relations, counterparty or stakeholder information, which if disclosed could result in labour issues, work stoppages, contract breach or demands for renegotiation
9. Centra Gas Sensitive Information for example:



- a) Natural gas load forecast information and impact of weather on Manitoba market demand and gas supply operations (i.e., Effective Heating Degree-Day (EHDD) balance point, actual and forecast EHDD).

## APPENDIX B – BOARD DISPOSITION OF CLAIMS FOR CONFIDENTIALITY

The Board's disposition of Manitoba Hydro's claims for confidentiality under Rule 13 of the Board's *Rules of Practice and Procedure* is as follows.

Document	Pages	Redaction Code	Board Disposition of Claim for Confidentiality
PUB/Daymark I-2 (b-c)	6-7	4a	Redactions Approved
PUB/Daymark I-6a	14	3b	Redactions Approved
PUB/Daymark I-7	16	4a	Redactions Approved
PUB/Daymark I-14	27-28	4a	Redactions Approved
MH-CSI-4	50	4a, 4b	Redactions Approved
DEA-4	28	3a	Redactions Approved
DEA-4	29	3b	Redactions Approved
DEA-4	30	3b	Redactions Approved
DEA-4	32	3a, 3b	Redactions Approved
DEA-4	33	3a, 3b	Redactions Approved
DEA-4	38	n/a	Redactions Denied — same sentence not previously redacted and Manitoba Hydro confirmed (on June 22, 2023) that the redactions can be lifted
DEA-4	42	3b	Redactions Approved
DEA-4	51	4a	Redactions Approved
DEA-4	54	4a, 4b	Redactions Approved
DEA-4	57	3a	Redactions Approved
DEA-4	58	4a	Redactions Approved
MH-CSI-5	Complete Document	4a	Filing of Complete Document in Confidence Approved
MH Undertaking 7	1	5a	Redactions Approved
MH Undertaking 8	1	5a	Redactions Approved
Transcript from <i>In Camera</i> Session on May 19, 2023	Complete Document	n/a	Filing of Complete Document in Confidence Approved
DEA-CSI-3	1-2	4a	Redactions Approved
MH-CSI-8 (Response to CSI Undertakings 4&5)	1-3	4a	Redactions Approved

Document	Pages	Redaction Code	Board Disposition of Claim for Confidentiality
MH-CSI-8 (Attachment 1 to CSI Undertaking 4)	1-3	4a	Redactions Approved
MH-CSI-8 (Attachment 2 to CSI Undertaking 4)	1-17	4a	Redactions Approved
MH-57	45	3a, 3b	Redactions Approved
MH-57	86	4a	Redactions Approved
MH-57	87	4a	Redactions Approved
MH-57	87-89	4a	Redactions Approved
PUB/MH II-11(a-d) Attachment 1	19-20	1d	Redactions Denied — See Section 2.2
MH-CSI-9 (Response to CSI Undertaking 1)	1	1d	Redactions Denied — See Section 2.2
MIPUG/MH I-82d (Attachment 1)	29	1e	Redactions Approved