

MANITOBA

Order No. 21/13

THE PUBLIC UTILITIES BOARD ACT

March 7, 2013

BEFORE: Régis Gosselin, C.G.A., M.B.A., Chair
Raymond Lafond, B.A., C.M.A., F.C.A, Member

**INTERVENER STATUS AND PROCESS:
CENTRA GAS MANITOBA INC.
2013/14 GENERAL RATE APPLICATION**

EXECUTIVE SUMMARY

By this Order, The Public Utilities Board (Board):

- a) Grants intervener status to Consumers' Association of Canada (Manitoba); Just Energy Manitoba L.P.; Shell Energy North American (Canada) Inc.; and Communications Energy and Paperworkers Union of Canada Local 681.
- b) Establishes a timetable to consider Centra Gas Manitoba Inc.'s (Centra) 2013/14 General Rate Application.
- c) Clarifies the scope of certain aspects of Centra Gas Manitoba Inc.'s 2013/14 General Rate Application.

BACKGROUND

In a public notice (published in daily and weekly newspapers between the dates of February 9, 2013 and February 13, 2013), the Board advised the public of Centra Gas Manitoba Inc.'s (Centra) 2013/14 General Rate Application (GRA) and invited applications for Intervener status.

In addition, Centra served copies of the public notice on all Franchise Granting Municipalities, all Registered Brokers of Natural Gas, and all Parties of Record in the last GRA. Additionally, all Interveners of Record at the Centra Portfolio Review were provided a copy of the 2013/14 GRA.

At the Pre-Hearing Conference (PHC) held at the Board offices in Winnipeg, Manitoba on Friday, March 1, 2013, the Board heard applications for intervener status, discussed the scope of the GRA and, also, considered a timetable for the orderly exchange of evidence leading up to an Oral Public Hearing.

APPLICATIONS FOR INTERVENER STATUS

Consumers' Association of Canada (Manitoba) (CAC)

CAC has long represented general consumers' issues at regulatory proceedings related to Centra and its parent company Manitoba Hydro. CAC sought intervener status, expressing an interest in all issues pertaining to Centra's Application.

CAC indicated an intention to appear throughout the hearing, produce evidence, test evidence, and make final arguments. CAC also noted it intended to produce at least one expert witness related to the subject matter of Centra's Application.

CAC indicated it would apply for costs, with its hearing budget to be filed following the Board's determination of the draft timetable.

Centra had no objection to CAC being granted intervener status, but did reserve the right to provide comment on the CAC budget once filed.

Just Energy Manitoba L.P. (JEMPLP)

While JEMPLP was not in attendance at the PHC, a written Intervener Request Form was filed. JEMPLP noted that as a retailer of natural gas in Manitoba it has an intention to appear throughout the hearing, as required, and provide final submissions. JEMPLP does not intend to produce a witness and JEMPLP does not intend to apply for costs.

Centra had no objection to JEMPLP being granted intervener status.

Shell Energy North America (Canada) Inc. (Shell Energy)

Shell Energy filed a written Intervener Request Form indicating the Fixed Rate Primary Gas Service offered by Centra has issues of interest to Shell Energy. This prospective intervener further advised that it does not intend to appear throughout the hearing nor call witnesses. Shell Energy seeks the ability to participate in the testing of the evidence, as required, and to provide final argument. Shell Energy does not intend to apply for costs.

Centra had no objection to Shell Energy being granted intervener status.

Communications Energy and Paperworkers Union of Canada - Local 681 (CEP)

CEP filed a written Intervener Request Form indicating it represents natural gas workers at Centra Gas and is therefore a major stakeholder in the reliable safe delivery of natural gas in Manitoba. CEP intends to appear throughout the GRA and test the evidence, as required, and provide final argument. CEP does not intend to call a witness nor apply for costs.

Centra had no objection to CEP being granted intervener status.

SCOPE OF THE GRA

Centra confirmed, in its March 1, 2013 letter, (sent following the PHC) that its Application pertains only to approvals sought for the 2013/14 Test Year – with additional information beyond the Test Year provided only for context. Specifically, Centra is not seeking approval in this GRA of accounting changes (including the move to Equal Life Group methodology for depreciation, the removal of asset retirement costs from depreciation expense, further reductions in overheads capitalized and the potential elimination of rate-regulated accounting) associated with the implementation of International Financial Accounting Standards (IFRS). Centra advises that its transition date to IFRS is beyond the Test Year and, due to uncertainties respecting IFRS, those accounting change issues will be brought forward for approvals at a future GRA.

The scope of Demand Side Management review will be limited to the natural gas specific DSM programs as the broader DSM program was reviewed by the Board at the recently concluded Manitoba Hydro GRA.

TIMETABLE

While a draft timetable was circulated prior to the PHC, the Parties met subsequent to the PHC and provided a consensus Timetable (as attached to Centra's March 1, 2013 letter) for consideration and approval by the Board.

Board Finding – Intervener Status

The Board will grant intervener status to: Consumers' Association of Canada (Manitoba) Inc. (CAC); Just Energy Manitoba L.P. (JEMPLP); Shell Energy North America (Canada) Inc. (Shell Energy); and Communications Energy and Paperworkers Union of Canada – Local 681 (CEP).

The Board has discretion as to providing cost awards, and notes that CAC's intervention as it is the only intervener request seeking a cost award. The granting of a cost award by the Board is dependent upon the Board's view of how such an award serves the public interest. Criteria used by the Board in its assessment of cost award applications are set out in the Board's Rules of Practice and Procedure, which may be found on the Board's website, www.pub.gov.mb.ca. In addition to the criteria, the Board maintains a tariff with respect to the hourly rates charged by professionals and/or others assisting parties seeking cost awards; guidance is available from Board Staff.

Board Findings - Scope

The Scope of the GRA is narrowed respecting IFRS matters and DSM matters, as set out above.

Board Findings – Proposed Timetable

The draft timetable, for the orderly exchange of information prior to the Oral Public Hearing, was revised by consensus of the Parties and is approved.

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 (Rules). The Board's Rules may be viewed on the Board's website at www.pub.gov.mb.ca.

IT IS THEREFORE ORDERED THAT:

1. Intervener Status for participation in the hearing process respecting Centra's 2013/14 General Rate Application BE AND IS HEREBY APPROVED FOR:
 - i) Consumers' Association of Canada (Manitoba) Inc.;
 - ii) Just Energy Manitoba L.P.;
 - iii) Shell Energy North America (Canada) Inc.;
 - iv) Communications Energy and Paperworkers Union of Canada – Local 681

2. The timetable for the orderly exchange of evidence as attached to Centra's March 1, 2013 letter (sent to all parties) is approved and will be posted on the Board's website.

THE PUBLIC UTILITIES BOARD

"RÉGIS GOSSELIN, C.G.A., M.B.A."
Chair

"HOLLIS SINGH"
Secretary

Certified a true copy of Order No.
21/13 issued by The Public
Utilities Board

Secretary