

## THE PUB POST – Vol. 2

Welcome to the second edition of our newsletter, *The PUB Post*, an initiative we started to help us connect with Manitobans and keep everyone informed on different things we do throughout the year.

Do you have ideas for newsletter items? Are there PUB matters you would like to learn more about? This is YOUR newsletter and we want to make sure you enjoy it. We invite you to share your ideas with us at [engagethepub@gov.mb.ca](mailto:engagethepub@gov.mb.ca).

---

### ***A Message from the Board Chair:***

As an independent agency of government, we follow the same fiscal year: April 1<sup>st</sup> to March 31<sup>st</sup>. This will be an action-packed year for the PUB, as we prepare to hold public hearings for general rate applications from Manitoba Hydro, Centra Gas and Manitoba Public Insurance, and review and make recommendations on the efficiency plan proposed by Efficiency Manitoba. These hearings are in addition to our regular review of applications received from some of the approximately 240 municipal water and wastewater utilities we also oversee.

Our hearing schedule starts on May 15<sup>th</sup>, with a five-week Manitoba Hydro hearing, which seeks to confirm the interim rate of 3.6% granted in 2022, and a new rate increase of 2% in 2023/24 and 2024/25. As with most rate applications, the application filing is a procedural step that follows months of activity at the utility. After the filing, interveners request intervener status and file information requests and, months later, a public hearing is held where the PUB will receive evidence from the utility and interveners and presentations from members of the public. The PUB, its staff, and advisors will work through the summer and an Order will be issued, probably in late summer.

An MPI application is expected in mid June, which will trigger the same process. A three-week hearing is usually held in October. This year's application will not include a request for a rate increase, pursuant to a directive of the government, but the PUB will still examine MPI's revenues and expenditures.

Efficiency Manitoba is schedule to file its efficiency plan with the PUB in July, and it will be reviewed at a public hearing in November. After the public hearing, the PUB will provide its comments and recommendations to the Minister who oversees Efficiency Manitoba.

Centra Gas will file its general rate application in the fall, and the hearing will be held in the first quarter of 2024.

In carrying out its duties, the PUB focuses on the following:

- Protecting the public interest by balancing the interests of ratepayers with the financial health of the utilities;
- Ensuring the institutional integrity of the PUB as an independent quasi-judicial administrative tribunal;
- Promoting transparency and accountability through the public hearing process. We do this by live-streaming hearings, posting all documents on our website, providing in-depth reasons for decisions that are written in plain language; and

- Promoting public participation by inviting stakeholders to participate, welcoming public presentations, and using new communication tools, such as social media, to interact with the public.

The PUB newsletter and Spotlight series are just the beginning.

- Robert Gabor, K.C.

---

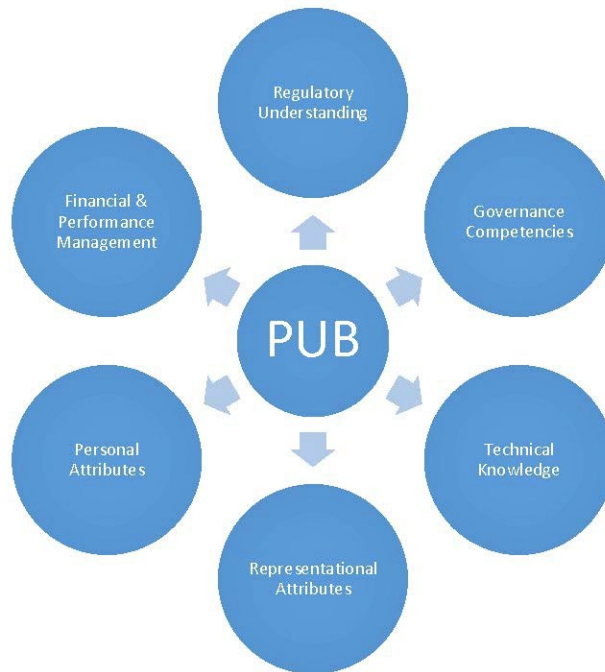
In 2022, the PUB welcomed five new board members (Members), for a total of one full-time and ten part-time Members. The [Members](#) are a small, dedicated group of Manitobans who envision the PUB as a trusted, respected regulator that contributes to just and reasonable rate determinations and long-term, reliable utility services for all Manitobans.

The PUB is a quasi-judicial administrative tribunal, tasked with making decisions otherwise made by Cabinet or one of its ministers. Cabinet is responsible for appointing Members to the PUB. Decisions involving essential public services are often delegated to administrative tribunals for a variety of reasons, most notably to ensure:

- freedom from political pressures through the independence and objectivity of the tribunal;
- decisions are made on the basis of specialized technical expertise; and
- fair and equitable treatment of affected parties through public participation.

---

The decisions Members make affect the daily lives of every Manitoban, and Members need to understand more than just the technical aspects of utility rate regulation. There are six criteria that, when combined, create a strong PUB for Manitobans:



**Regulatory Understanding.** Understanding the role of regulatory agencies within a governmental umbrella (attributes: law or regulatory experience, government experience or public policy and government relations experience).

**Governance Competencies.** Understanding corporate governance, including strategies for delivering on a public mandate (attributes: board experience, risk management (systems thinking) experience, strategic thinking/planning experience (from a governance perspective), and previous experience in a governance role being accountable for overseeing management).

**Financial & Performance Management.** Understanding and experience in measuring and assessing outcomes (attributes: executive performance management, financial expertise, project management/oversight experience, and technology and risk management experience).

**Technical Knowledge.** Collective energy literacy (attributes: electricity market experience, energy sector experience, environmental expertise, gas sector experience, and innovation).

**Representational Attributes.** Representative of Manitoba's diversity (attributes: sectoral representation, regional representation, reflective of diverse groups of Manitobans, relationships with Indigenous communities, and gender balance).

**Personal Attributes.** Quality Manitobans (attributes: collaborative, communication skills, integrity and high ethical standards, teamwork, independent, sound judgment, and bilingual).

The *Public Utilities Board Act* outlines the mandate, responsibilities and procedural operations of the PUB as an organization, and sets out, in broad terms, the obligations of the Members. Those obligations are further defined in [the Public Utilities Board Members' Code of Professional and Ethical Responsibilities](#).

---



*DID YOU KNOW* that the first (and sole) Commissioner of the Public Utilities Commission was none other than historic Manitoban, [Hugh A Robson](#)? He resigned as a judge in the Court of Kings Bench to serve as the first appointed commissioner of the newly formed Public Utilities Commission from 1911-1914. Robson returned to the courts in 1930 as a justice in the Court of Appeal, and served as Chief Justice of Manitoba from 1944 until his passing in 1945. Many Manitobans today are familiar with the Robson name because the University of Manitoba, to honour Robson's commitment to Manitoba's legal community, named the University's law school "Robson Hall" after him.

---

A respected member of Manitoba's legal community laid the foundation of the PUB and, 110 years later, three of the Members, **Robert Gabor** (Board Chair), **Irene Hamilton** and **George Bass** are from the legal community, and each of them hold the Kings Counsel (K.C.) designation. The K.C. designation is an honorary title bestowed on members of the legal community who practiced for at least 10 years, demonstrated outstanding practice as a lawyer, acted with integrity throughout their practice, and contributed to the development of excellence in the legal profession.

When asked what the most important role of a Member is, and why, some of the Members told us:

*"Listen to the evidence and work together with other panel members to arrive at decisions that balance the interests of ratepayers with the financial health of utilities".*

*"To keep an open mind until you've heard all the evidence – don't jump to conclusions".*

*"To weigh all of the evidence to make sound and fair decisions that protect the ratepayers but maintain the financial well-being of the regulated entity".*

*"Fundamental to monopoly regulation is balancing the health of the utility with ratepayer best interest. Every decision should be viewed through the lens of this balance".*

*"A Member must be prepared, interested and participate. The participation is key because no matter how well you prepare and read, if you say nothing, you haven't contributed".*



Four main pillars guide the work of civil servants: respect for others, integrity, accountability, and acting with skill and dedication. Several of the current Members are retired civil servants who dedicated their careers in service to Manitobans, and Canadians at large.

- **Marilyn Kapitany** (Vice Chair of the Board) served as an executive responsible for Western Economic Diversification, Indian and Northern Affairs Canada (Manitoba), and the Canadian Grain Commission;
- **Irene Hamilton** held a variety of positions, including Assistant Deputy Attorney General (Civil Law Division), Provincial Ombudsman, Assistant Deputy Minister (Courts Division), and Public Trustee;
- **Carol Bellringer** served as the Auditor General for both BC and Manitoba; and
- **Susan Boulter** was a director and chief operating officer for various government agencies and now sits on many regulatory and public service boards.

When asked what surprised Members most about the PUB, and why, some of our Members said:

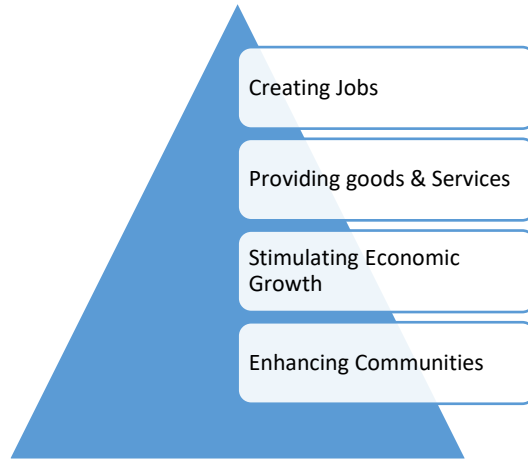
*“The volume and complexity of the information we receive”.*

*“The number of matters that come before us every year.....it’s important to deal with them as efficiently as possible so ratepayers pay the correct rates and the utilities remain sustainable”.*

*“The impact of our decisions on Manitobans day to day lives. I was also surprised by the scope of work and the limited resources it is being done with”.*

*“How full the agenda is, and the dedication of the staff and organization to keep it on track. It’s a lot of responsibility and a lot to manage. Frankly impressive how professional and diligent the organization is”.*

*“The complexity of issues. It is challenging to read, understand and analyze the topics, especially investment and financial matters”.*



The private sector creates jobs, provides goods and services, and stimulates economic growth. It has the ability to make communities stronger, safer and more resilient. When dealing with the complexities of utility rate review hearings, private sector Members offer specialized technical expertise that is essential when reviewing financial requirements and assessing the performance of utilities. The current Members from the private sector have vast experience in the financial, business, energy and environmental sectors.

**Robert Gabor** spent 36 years practicing law in the private sector, but left his practice to serve as Chair of the Public Utilities Board. Robert's legal career focused on administrative, corporate-commercial, and technology law. **Shawn McCutcheon** owns and operates a commercial and seed grain farm, specializing in soybeans, corn and field bean production. Until he retired, **George Bass** focused his legal career on corporate law and governance, and developed extensive experience in insurance services, strategic planning, and risk management. **Susan Nemec** has held senior-level positions such as VP Finance and Systems, Corporate Controller, and Senior Assurance Manager, and dedicated a large portion of her career to the recruitment and placement of finance and accounting professionals. **Hamath Sy's** career in senior management at a railway has given him an extensive background in business, logistics, economics and enterprise risk management, which he also teaches as a Post-Grad instructor. In addition to spending much of her career as an educator, **Sharon McKay** held numerous leadership positions in Indigenous organizations such as Keewatin Tribal Council, Manitoba Tribal Directors, and Broadband Communications North, which helped develop telecommunications for northern and remote Manitoba communities. With a focus on energy and environmental economics, **Jack Winram** has a long history with both industry and government in the energy and environmental sectors. Jack has provided expert advisory services to a variety of regulatory and government organizations, and has experience in the natural resource, energy and environment sectors across Canada.

Here is what some of our Members had to say when asked what advice they would offer to Manitobans interested in becoming Members:

*"Understand the considerable time commitment required of members. Anyone who is interested should go to our website and livestream some of our hearings or review some of the filed materials to get a flavour of our hearing process".*

*“Educate yourself on the work that is involved with this appointment and how the PUB operates. A quasi-judicial body is very different than any other government appointment”.*

*“Have robust experience on boards, the ability to read financial statements, and be retired. This board requires your time and dedication”.*



Geographic representation is another important factor to consider when appointing Members. Manitoba has a population over 1.3 million, and geographically it covers approximately 649,950 km<sup>2</sup>. In addition to recognizing the diversity of rural and urban Manitobans, the experiences and needs of Manitobans living in remote Northern Manitoba communities are vastly different from those in Southern Manitoba. **Jack Winram**, who is from rural Central Manitoba, together with **Shawn McCutcheon**, who spent 15 years as an elected official in Southern Manitoba, and **Sharon McKay**, an educator and leader in Northern Manitoba, help ensure rural and Northern representation and the valuable perspectives they add to PUB discussions and decision-making processes.

What did Members share when asked about the biggest challenges regulators are facing in the post-pandemic world?

*“Keeping up with all the rapid changes in the areas of energy and technology”.*

*“The same as it was pre-pandemic: how to get feedback on PUB matters from the largest number of affected ratepayers”.*

*“Building on what we learned and developed through this time - the ability to hold hearings or receive evidence remotely giving the PUB more opportunities to connect with ratepayers, and continuing to build on communication with ratepayers. It is important for people to be aware of how the PUB operates and ratepayers ability to participate in the decision making process.”*

*“Inflation. The cost of everything has gone up, including costs of utility operation which in turn puts pressure on rate increases and further stresses the cost of living for ratepayers”.*

*“The costs and risks of the digital age. Although there are many advantages to technology, it comes with increasing risks in implementation costs, issues with cybersecurity, and the risk of leaving utility customers behind who may face systemic barriers to “going digital”.*

*“Regulatory boards had to adapt quickly to shutdowns, protection of staff and clients, and fulfillment of statutory deadlines and requirements. Much of this balancing continues as we try to return to pre-COVID life. Demonstrate compassion and kindness to people who have demanding workloads, family needs and health worries. Regulators should be assisting and relieving pressures, not adding to them”.*

The government of Manitoba makes appointments to a number of agencies, boards and commissions throughout the province, and invites all Manitobans to consider submitting an application or nomination. If you would like more information on how to get involved, please visit the [Government of Manitoba website](#).