

GCH

GANGE COLLINS HOLLOWAY

Barristers
& Solicitors

William S. Gange	Writer:	William S. Gange
Jacqueline G. Collins	Writer's Direct:	204-953-5401
R. Ivan Holloway*	Writer's Email:	wsg@gchlaw.ca
David M. Cordingley		
Kalyn B. Bomback	Assistant:	Lynne Cooke
Thomas K. Reimer	Assistant's Direct:	204-953-5411
Chad M. Penner▪	Assistant's Email:	lec@gclaw.ca

*Services through R.I. Holloway Law Corporation

*Also of the Alberta Bar

▪ Services through Chad Penner Law Corporation

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Delivered by Email:

Public Utilities Board
400-330 Portage Avenue
Winnipeg, MB R3C 0C4

Attention: Darren Christle/Kurt Simonsen

Dear Sirs/Mesdames:

Re: Green Action Centre's position re Manitoba Hydro's Rule 13 Motion regarding Commercially Sensitive Information

Green Action Centre has the following comments with respect to the various issues addressed in the Rule 13 motion.

In Appendix A Manitoba Hydro addresses PUB MFRs 24, 81-84 and 197-198. The position taken by Manitoba Hydro has an effect upon GAC-I-32 and 33. Although Green Action Centre does not need the details of the existing contracts, it is difficult to determine whether the design of the retail rates reasonably reflects lost sales opportunities if we do not know how much Manitoba Hydro has been able to sell its energy for in the recent past. A denial of the information requested in the MFRs posed by the PUB experts has a negative impact upon the ability of the interveners to conduct a proper analysis.

In Appendix B, Manitoba Hydro addresses PUB MFR 79. The position taken by Manitoba Hydro has an effect upon GAC-I-21, I-27, I 29, I-30, I-31, and I-34. Manitoba Hydro has based its avoided costs on the results of a levelized 35 year production costing run, and apparently some capacity value. Although the levelized total cost has been run over 35 years, Manitoba Hydro has not provided the pieces to explain how these figures have been arrived at. GAC-I-31 was answered by claiming that the information is confidential. GAC-I-27, I-30 and-34 referred to PUB-131b which blacks out the annual values. It is the position of Green Action Centre that this information is internal non-confidential workproduct and ought to be released. It is not sufficient to claim that the information is similar to some market-price forecasts. In the experience

of the experts of Green Action Centre, utilities routinely provide forecasts of market prices, often under a confidentiality agreement. A similar solution would be a workable course in this hearing.

Manitoba Hydro has refused to provide a breakout of the avoided costs between generation energy costs and generation capacity costs (also blacked out in PUB-131b). Our experts cannot tell how the avoided or marginal costs would vary between classes with different load factors, or by time of use.

Manitoba Hydro also blacked out the levelized 35-year average of its forecast marginal generation costs by season. Again, our experts can hardly be expected to discuss seasonal rate design (vital to ESH relief) without Manitoba Hydro's seasonal marginal-cost forecast.


Manitoba Hydro claims to have used a single 14% loss factor for all time periods, seasons, and distribution voltage levels, even though losses must vary by load level and voltage level. It is not clear whether the levelized marginal energy costs they provide include the losses. If MH would provide the derivation of the avoided costs (levelized energy, levelized generation capacity per kW-yr, reserve requirement, line losses), our experts could determine what was done. GAC-I-21, I-27, I-29, I-30 all asked for that information in different ways. It is our position that if PUB MFR 79 were answered properly many of these issues would disappear.

The information requested as discussed in Appendix A and B ought to be disclosed to the interveners, perhaps under a confidentiality agreement.

Yours truly,

GANGE COLLINS HOLLOWAY

Per:



WILLIAM S. GANGE

WSG/lec