

Villegas, Diana (PUB)

From: Christian Monnin [cmonnin@hillco.mb.ca]
Sent: July-26-17 10:36 AM
To: Melissa Davies; Giraldo-Gomez, Natalia; Simonsen, Kurt (PUB); Christle, Darren (PUB); +WPG1002 - Public UTILITIES (FIN); Villegas, Diana (PUB); 'Bob Peters (bobbeters@fillmoreriley.com)'; 'Dayna Steinfeld (dsteinfeld@fillmoreriley.com)'; 'Alanna Gray'; 'Alex.bakulev@metsco.ca'; 'Bill Harper'; 'Byron Williams'; 'Corey Shefman'; 'David Cordingley'; 'Donald Leitch (dleitch@businesscouncil.mb.ca)'; 'George J. Orle (GORle@woodorle.ca)'; 'Gloria Desorcy - CAC MB (Gloria@CACManitoba.ca)'; 'Hacault, Antoine'; 'James Battershill'; 'Janice Compton'; 'Jarome Leslie'; 'Katrine Dilay'; 'Kristina Marley'; 'Lynne Cooke'; 'manderson@mkonorth.com'; 'Paul Chernick'; 'Patrick Bowman'; 'Pelino Colaiacovo'; 'Peter Miller'; 'Senwung Luk'; 'Susan Geller'; 'Thor.hjartarson@metsco.ca'; 'Wayne Simpson'; Wilde, Angela (PUB); 'William S. Gange (wsg@gchlwa.ca)'; 'bywil@pilc.mb.ca'; 'kwilliams@tmlawyers.com'; 'kadil@pilc.mb.ca'; 'Donald.benham@winnipeg harvest.org'; 'info@manitobachiefs.com'; 'kap@kap.mb.ca'; 'CHo@tmlawyers.com'
Cc: Barnlund, Greg; Gregorashuk, Shannon; Ramage, Patti; Fernandes, Odette; Niemczak, Jonathan
Subject: RE: Manitoba Hydro's 2017/18 & 2018/19 General Rate Application - Intervener Budgets

On July 21, 2017, Manitoba Hydro provided its comments with respect to the proposed intervener budgets. The following are brief comments being made in response on behalf of the GSS/GSM customer class.

I have had the benefit of reading the responses provided by CAC and MIPUG on this particular issue. In that regard, I can advise that GSS/GSM adopts and relies on the comments contained therein that deal more generally with the issues raised in Manitoba Hydro's letter of July 21, 2017.

An Unprecedented GRA

First, perhaps in one of the most spectacular understatements made to date in these hearings, Manitoba Hydro stated that it recognized that the proposed rate increases in this GRA are higher than what has been previously advanced by the Corporation. In addition, Manitoba Hydro also recognized that the scope of this GRA has also been expanded. In sum, Manitoba Hydro is proposing an unprecedented rate increase of 7.9%. The fact that this has necessarily led to a greater number of interveners, on a greater number of in-scope issues should come as no surprise. Rather, all of this is reasonably foreseeable and ought to be welcomed.

What is also reasonably foreseeable is that the proposed intervener budgets will necessarily reflect the importance and the size and scope of these hearings. On this particular point, MIPUG's comments are quite compelling, namely that *the current hearing is scheduled to cover a period of 11 weeks. Assuming one week off, and 4 sitting days, this would leave 40 hearing days, not counting pre-hearing conferences, technical workshops, etc. occurring before the hearing proper.* In short, GSS/GSM submits that its proposed budget is indeed consistent with the expected duration of these hearings and the scale and scope of the issues.

Cost/Value of Interventions

With respect to the comments provided by the CAC, GSS/GSM wishes to underscore the following:

The Consumers Coalition also notes that Manitoba Hydro spent \$4,345,528 (including taxes) on the report from Boston Consulting Group, which was prepared at the end of 2016. This amount represents almost double the proposed combined costs of all Interveners in the 2017/18 & 2018/19 Electric GRA (which Manitoba Hydro notes is \$2,235,040). The report from Boston Consulting Group represents one expert report, whereas the costs for Interveners in the 2017/18 & 2018/19 GRA

will produce a multitude of perspectives and expert evidence, with the goal of having a process that is robust, transparent and accountable to the provincial government and to all Manitoba consumers.

While we are not questioning the amount of budgeted hours or the rates charged for this report, based on the above information it is clear that, comparatively, the Board (and this process as a whole) is getting good value from the multitude of perspectives and expert evidence to ensure that a process that is indeed robust, transparent and accountable.

Regarding the proposed GSS/GSM budget, while Manitoba Hydro takes issue some of the rates being above the hourly tariff set out by the Board. GSS/GSM respectfully submits that the assessment of the budget being proposed should take into account the overall reasonableness of the budget. First, Manitoba Hydro fails to acknowledge the meaningful reduction in the legal fees that figure into the proposed budget. As well, it fails to acknowledge that the rates proposed are consistent with those permitted by the Board during the Cost of Service Review. On the whole, being faced with a GRA that is unprecedented with respect to the size of the rate increase, the scope of the hearings and the number of interveners, GSS/GSM sought to select the best available witness who is familiar with GRA's and who is familiar with Manitoba Hydro in particular.

Collaboration

Regarding the issue of taking lead roles and identifying the issues on which other interveners will take a leading role, GSS/GSM has and will continue to work with various interveners to identify these issues, all the while seeking to avoid duplication and achieve efficiency. As part of this process, GSS/GSM has consistently stated that it will work with other interveners that may have aligned or overlapping interests (such as MKO and KAP). However, in its letter Manitoba Hydro seems to be discouraging this type of collaboration on the basis that this will incur more costs. It will not. This collaboration figures in the proposed budget.

Legal counsel and the experts/consultants have and will continue to work towards ensuring that duplication is avoided throughout and at every stage of these hearings. That being said, to state the very obvious, the parties in these hearings were granted status to intervene on the basis that they indeed have a unique perspective that will assist the Board in discharging its regulatory mandate. Full, yet responsible, participation should not only be encouraged, it should also be recognized as being necessary.

Thank you for taking the time to consider these brief comments. Should you have any further questions or comments, do not hesitate to contact me.

Regards,

Christian Monnin*

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From: Melissa Davies [mailto:Melissa@intergroup.ca]

Sent: Tuesday, July 25, 2017 7:00 PM

To: Giraldo-Gomez, Natalia; 'Simonsen, Kurt (PUB)'; 'Christle, Darren (PUB)'; '+WPG1002 - Public UTILITIES (FIN)'; 'Villegas, Diana (PUB)'; 'Bob Peters (bobbeters@fillmoreriley.com)'; 'Dayna Steinfeld (dsteinfeld@fillmoreriley.com)'; 'Alanna Gray'; 'Alex.bakulev@metsco.ca'; 'Bill Harper'; 'Byron Williams'; Christian Monnin; 'Corey Shefman'; 'David Cordingley'; 'Donald Leitch (dleitch@businesscouncil.mb.ca)'; 'George J. Orle (GORle@woodorle.ca)'; 'Gloria Desorcy - CAC MB (Gloria@CACManitoba.ca)'; 'Hacault, Antoine'; 'James Battershill'; 'Janice Compton'; 'Jarome Leslie'; 'Katrine Dilay'; 'Kristina Marley'; 'Lynne Cooke'; 'manderson@mkonorth.com'; 'Paul Chernick'; Patrick Bowman; 'Pelino Colaiacovo'; 'Peter Miller'; 'Senwung Luk'; 'Susan Geller'; 'Thor.hjartarson@metsco.ca'; 'Wayne Simpson'; 'Wilde, Angela (PUB)'; 'William S. Gange (wsg@gchl.ca)'; 'bywil@pilc.mb.ca'; 'kwilliams@tmlawyers.com'; 'kadil@pilc.mb.ca'; 'Donald.benham@winnipegaharvest.org'; 'info@manitobachiefs.com'; 'kap@kap.mb.ca'; 'CHO@tmlawyers.com'

Cc: Barnlund, Greg; Gregorashuk, Shannon; Ramage, Patti; Fernandes, Odette; Niemczak, Jonathan

Subject: RE: Manitoba Hydro's 2017/18 & 2018/19 General Rate Application - Intervener Budgets

Good evening,

I attach MIPUG comments in response to Hydro's reply on Intervener budgets.

Thank you,

-Melissa Davies

From: Giraldo-Gomez, Natalia [mailto:ngomez@hydro.mb.ca]

Sent: Friday, July 21, 2017 11:35 AM

To: 'Simonsen, Kurt (PUB)'; 'Christle, Darren (PUB)'; '+WPG1002 - Public UTILITIES (FIN)'; 'Villegas, Diana (PUB)'; 'Bob Peters (bobbeters@fillmoreriley.com)'; 'Dayna Steinfeld (dsteinfeld@fillmoreriley.com)'; 'Alanna Gray'; 'Alex.bakulev@metsco.ca'; 'Bill Harper'; 'Byron Williams'; 'Christian Monnin'; 'Corey Shefman'; 'David Cordingley'; 'Donald Leitch (dleitch@businesscouncil.mb.ca)'; 'George J. Orle (GORle@woodorle.ca)'; 'Gloria Desorcy - CAC MB (Gloria@CACManitoba.ca)'; 'Hacault, Antoine'; 'James Battershill'; 'Janice Compton'; 'Jarome Leslie'; 'Katrine Dilay'; 'Kristina Marley'; 'Lynne Cooke'; 'manderson@mkonorth.com'; Melissa Davies; 'Paul Chernick'; Patrick Bowman; 'Pelino Colaiacovo'; 'Peter Miller'; 'Senwung Luk'; 'Susan Geller'; 'Thor.hjartarson@metsco.ca'; 'Wayne Simpson'; 'Wilde, Angela (PUB)'; 'William S. Gange (wsg@gchl.ca)'; 'bywil@pilc.mb.ca'; 'kwilliams@tmlawyers.com'; 'kadil@pilc.mb.ca'; 'Donald.benham@winnipegaharvest.org'; 'info@manitobachiefs.com'; 'kap@kap.mb.ca'; 'CHO@tmlawyers.com'

Cc: Barnlund, Greg; Gregorashuk, Shannon; Ramage, Patti; Fernandes, Odette; Niemczak, Jonathan

Subject: Manitoba Hydro's 2017/18 & 2018/19 General Rate Application - Intervener Budgets

Good day

Please see the attached.

Regards,

Natalia Giraldo-Gomez

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