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March 22, 2019

Mr. D. Christle Secretary and Executive Director Public Utilities Board 400-330 Portage Avenue Winnipeg, Manitoba R3C 0C4

Dear Mr. Christle:

RE: SUPPLEMENT TO CENTRA GAS MANITOBA INC. ("CENTRA") 2019/20 GENERAL RATE APPLICATION – 2018/19 CURRENT OUTLOOK AND 2019/20 APPROVED BUDGET

Centra is hereby enclosing a Supplement to Centra's November 30, 2018 General Rate Application providing an update to financial information following review and approval of the 2018/19 Current Outlook and 2019/20 Budget for the natural gas operations by the Manitoba Hydro-Electric Board on February 12, 2019.

The 2018/19 Current Outlook and the 2019/20 Approved Budget reflect actual financial results to September 30, 2018 for revenue and cost of gas as well as updated planning assumptions for the following:

- 2018 Natural Gas Volume Forecast;
- Preliminary update to planned 2019/20 Demand Side Management expenditures and activities;
- December 2018 consensus forecast of interest and U.S. exchange rates; and
- Cost of Gas Forecast based on an October 1, 2018 strip date.

Consistent with Centra's Rule 13 Motion seeking confidential treatment of information included in Centra's 2019/20 General Rate Application and subsequently accepted by the Public Utilities Board ("PUB") on February 26, 2019, this submission contains commercially sensitive information. Throughout the Supplement and related appendices, commercially sensitive information has been redacted with corresponding redactions codes. Centra has not separately applied redaction codes to Appendix 7.6 – 2018 Natural Gas Forecast as all redactions relate to either redaction code 1d and/or 2d. A copy of Centra's redaction criteria are attached to this letter.

On December 12, 2018 Centra filed additional information requested by the PUB as part of its Completeness Review of Centra's Application. In response to question #7 Centra indicated that it would file the 2017 Residential Energy Use Survey ("REUS") once it was finalized. The 2017 REUS is provided as Appendix 7.7 of the Application, and will be uploaded to Manitoba Hydro's website.

Should you have any questions with respect to this submission, please contact the writer at 204-360-3257 or Liz Carriere at (204) 360-3591.

Yours truly,

MANITOBA HYDRO LEGAL SERVICES DIVISION

Per:

Brent A. Czarnecki Barrister & Solicitor

Att.

cc:

Mr. B. Peters, Fillmore Riley,

Mr. R. Cathcart, Cathcart Advisors Inc.,

Mr. B. Ryall, Ryall Engineering

Registered Interveners

## **Centra Redaction Criteria**

- 1. Information that if released could result in undue financial loss to Centra and its ratepayers, and undue financial gain to current or potential service providers, or parties with whom Centra may be negotiating, and/or harm Centra's competitive position and prejudice its negotiations for example:
  - a. Details of Centra's gas supply portfolio (i.e., all non-public commercial arrangements including contract details and Capacity Management transactions), including costs (except at summary levels)
  - **b.** Analysis of alternative commercial arrangements, and third-party responses to RFPs.
  - **c.** Details of Centra's gas supply operations including risk tolerances, dispatch queues, and design firm peak day/maximum season information.
  - **d.** Load forecast/customer usage coefficients, forecast and actual purchased gas volume information and impact of weather on Manitoba market demand and gas supply operations (i.e., actual and forecast gas purchase volumes, average use per customer, Effective Heating Degree-Day (EHDD) balance point, actual and forecast EHDD).
  - **e.** Information/values that, if provided, would allow for the calculation of the information that Centra is seeking to protect for the reasons outlined above.
- 2. Party/Contract Specific Detail (information provided to Centra with an expectation that confidentially will be maintained) for example:
  - a. Third party responses to Request for Proposals (RFP);
  - **b.** Information subject to statutory or contractual confidentiality provisions.
  - **c.** Benchmarking information provided by other utilities with the expectation confidentiality would be maintained (i.e., utility information regarding liability insurance coverage).
  - **d.** Specific customer volume information, current or forecast.
- **3.** Technical Information or Intellectual Property for example:
  - a. Owned by Centra.
  - **b.** Owned by a third party such as Credit Rating Reports and copyrighted and paid for Risk Management publications.
- **4.** Documents Related to Risk/Benefit Identification, Quantification and Strategic Actions for example:
  - **a.** Sales and marketing strategies/initiatives;
  - **b.** Identification of risks and/or benefits with details on relative significance, quantification, strategic actions or timeframes. Identification of specific parties who have an interest in or ability to influence the risk/benefit outcome.
- **5.** 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.