

January 29, 2020

THE PUBLIC UTILITIES BOARD OF MANITOBA
400-330 Portage Avenue
Winnipeg, Manitoba
R3C 0C4

ATTENTION: Dr. D. Christle, Board Secretary and Executive Director

Dear Dr. Christle:

**RE: CENTRA GAS MANITOBA INC. ("CENTRA")
REVIEW & VARY APPLICATION – DIRECTIVE 29 OF ORDER 152/19**

On October 11, 2019, the Public Utilities Board of Manitoba ("PUB") issued Order 152/19 directing Centra to file, by no later than May 1, 2020, its Cost of Service Study ("COSS") Methodology Review. As specified on page 84 of Order 152/19:

"...Centra is to file details of its cost of service study methodology, explaining the methodology and the classification and allocation factors used, as well as information that addresses the specific cost allocation concerns raised in the evidence filed in the present GRA."

Order 152/19 further provides that after Centra files the above noted information, the scope of and process for the COSS Methodology Review would then be determined by the PUB panel.

Centra intends to retain an independent expert to assist it in addressing the specific cost allocation concerns raised in the 2019/20 GRA with respect to an appropriate COSS methodology.

Centra is currently working through the necessary requirements for posting a request for proposal ("RFP") and expects to be in a position to issue the RFP at the end of January 2020. Considering the time necessary to receive and evaluate submissions, a consultant is not likely to be selected until March or April 2020. Centra would then work with the consultant to prepare a complete submission including all of the filing requirements identified by the PUB, as well as Centra's position and recommendations with respect to its COSS methodology in response to Directive 29 of Order 152/19. This necessary work will not be completed by May 1, 2020. At this time, Centra reasonably anticipates filing its COSS Methodology Review Submission in October 2020. As such, pursuant to sections 44 and 129 of *The Public Utilities Board Act*, Centra requests the PUB to review and vary Directive 29 of

Order 152/19 by setting aside the filing date of May 1, 2020 initially contemplated by the PUB.

Varying Order 152/19 as sought in this Application will result in a more fulsome, complete and efficient review of Centra's COSS methodology as its initial filing will contain a more comprehensive review of the existing methodology, issues with that methodology and proposals that consider best practices to Manitoba specific circumstances. This will allow interested parties to focus their intervention on substantive COSS methodology and related matters where divergent perspectives and recommended alternatives exist.

This Application is also consistent with the spirit and intent of PUB's Directive 26 of Order 85/13 for all future applications to be initially filed as complete without filing additional and supplementary information at a later date.

At the conclusion of the oral hearing of the 2019/20 GRA, Chair Ring invited comments on potential process improvements arising from issues in the proceeding. Centra has concerns about the treatment of confidential information arising from that proceeding that it would like to address prior to the commencement of the COSS Methodology Review. These concerns were shared by some of the participants in that proceeding.

If granted the relief sought in this Application, Centra and the PUB would be afforded additional time to work with each other to establish a process for the review of Centra's commercially sensitive information prior to the filing being made to the PUB and any review being initiated. This will achieve a more effective and efficient regulatory review by reducing the time-consuming administrative and legal challenges and costs that were experienced throughout the 2019/20 GRA with respect to commercially sensitive information.

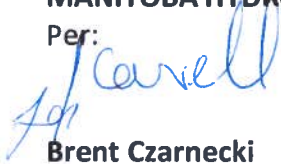
For all the reasons outlined above, Centra respectfully requests the PUB to Review and Vary Directive 29 of Order 152/19 by substituting the filing date of May 1, 2020 with November 1, 2020.

Should you have any questions regarding the information being provided, please contact the writer at 204-360-3257 or Darryl Martin at 204-360-4487.

Yours truly,

MANITOBA HYDRO LEGAL SERVICES DIVISION

Per:



Brent Czarnecki
Barrister & Solicitor

cc: Bob Peters, PUB Counsel
Dayna Steinfeld, PUB Counsel