

July 3, 2019

Mr. Brent Czarnecki
Law Department
Manitoba Hydro
22nd Floor - 360 Portage Avenue
Winnipeg, MB R3C 0G8

VIA EMAIL

- and -

Interveners of Records

Dear Parties:

Re: Centra Gas Manitoba Inc.'s ("Centra" or "Utility") 2019/20 General Rate Application ("GRA"):

And Re: Centra's Proposed Redactions to Round 2 Information Request Responses:

And RE: Proposed Redactions to the Evidence of Mr. Rainkie and Ms. Derksen

Background:

This Letter Decision addresses Centra's Motion to keep certain information in the above referenced GRA confidential and not place it on the public record. This Letter Decision adjudicates the confidentiality requests related to Centra's responses to Round 2 Information Requests and also the written evidence of Mr. Rainkie and Ms. Derksen.

Centra's Rule 13 Motion for Confidentiality of Specific GRA Information:

As indicated above, and pursuant to Rule 13 of the PUB's Rule of Practice and Procedure (available on the Board's website www.pubmanitoba.ca), Centra has made requests of the Board to keep certain information confidential and not place it on the public record.

Centra's grounds for seeking specific information not be placed on the public record were coded in its Redaction Criteria and identified adjacent to the proposed confidential information in Centra's above-listed redacted public filings. Centra established and publicly filed its Redaction Criteria with its GRA filing.

In further support of its Rule 13 Confidentiality Motion, Centra submitted that the current unlimited pricing discretion afforded to TransCanada Pipelines Limited ("TCPL") in establishing short-term firm and interruptible transportation bid floors on the Canadian Mainline has caused Centra to consider historical and forecast annual gas supply and gas cost information as commercially sensitive. Centra is concerned that public disclosure of certain information, including information on Centra's transactions, commercial arrangements, and operations, will expose Centra and its ratepayers to increased costs and irreparable harm by virtue of Centra being a captive shipper on the Canadian Mainline. If this confidential information was to become public, Centra submits the potential for adverse pricing activity by market participants will result to the detriment of Centra. Consequently, the Utility submits its competitive market position is reasonably expected to be prejudiced by public disclosure of this confidential information, including the potential for material cost increases to Centra and its ratepayers.

To further explain its Rule 13 submissions, Centra cites the TCPL RH-001-2014 Mainline Tolls proceeding before the National Energy Board ("NEB"), in which TCPL filed a motion seeking Centra's peak day requirement and the specific details as to how Centra contracts for gas to meet its requirements. Although acknowledging that the information requested by TCPL had, in the past, been publicly posted with the PUB as part of Centra's provincial regulatory proceedings, Centra declined to provide the requested information in the NEB proceeding on the grounds that the information was commercially sensitive for the reasons cited in the above prior paragraph. In a letter decision dated September 3, 2014 (Ruling #2), the NEB ruled that the information requested by TCPL was commercially sensitive and dismissed TCPL's motion to compel Centra to provide the requested information.

Centra also relies on this Board's Order 26/17, in which the PUB denied a TCPL motion that sought the public release of a Report that analyzed Centra's alternative supply contracting options and which Report Centra filed in confidence with the PUB. Centra cites page 20 of Order 26/17, where the PUB held "*that the interest in confidentiality outweighs the public interest in disclosure*" and "*the public interest is protected by confidentiality, while conversely, it would reasonably be expected that the public interest would be harmed if there was disclosure of the Report.*"

The Board's Rules for Receipt of Confidential Filings

Proceedings before the Board are public. By standard protocol, and pursuant to the Board's Rules of Practice and Procedure (available on the Board's website at www.pubmanitoba.ca), documents filed with the Board by a party to a proceeding are placed on the public record. However, Rule 13(2) provides that the Board may receive

information in confidence on any terms it considers appropriate in the public interest. This exception to the general rule of public disclosure arises where the test under Rule 13(2) is met:

(a) If the Board is of the opinion that disclosure of the information could reasonably be expected

- i. to result in undue financial loss or gain to a person (including Centra and other corporations) directly or indirectly affected by the proceeding; or
- ii. to harm significantly that person's competitive position

or

(b) if

- i. the information is personal, financial, commercial, scientific or technical in nature; or
- ii. the information has been consistently treated as confidential by a person directly affected by the proceeding; and
- iii. the Board considers that the person's interest in confidentiality outweighs the public interest in the disclosure of the information.

On hearing a motion under Rule 13, the Board may order the information in question be placed on the public record, order the document not be placed on the public record with such conditions on access imposed as the Board considers appropriate, order an abridged version of the document be placed on the public record, or make any other order the Board finds to be in the public interest.

Board Adjudication of Motions for Confidentiality of Centra's Responses to Second Round Information Requests in the 2019/20 GRA Evidence:

A Panel of the Board consisting of the Natural Gas Panel Chair Larry Ring, Q.C. and Board Vice Chair Marilyn Kapitany heard Centra's Rule 13 Motions seeking confidential treatment of Centra's second round Information Request responses in its 2019/20 GRA.

Except as expressly indicated in this Letter Decision, the Board accepts Centra's submissions in its Rule 13 Confidentiality Motion respecting its 2019/20 GRA evidence and the Board has determined that the proposed redacted information will be held in confidence by the Board pursuant to Rule 13 (2) (a) and (b). Similar to the Board findings included in Order 16/19 and the Board's Letter Decisions of February 26, 2019, June 7, 2019 and June 11, 2019, holding this information in confidence outweighs the public interest in disclosure of this information.

As indicated by Centra, the Utility is open to providing confidential or commercially sensitive information to certain Interveners and their consultants if they do not provide advice to competing parties or commercial counterparties of Centra. Execution of solicitor's undertakings and non-disclosure agreements will be required to provide some protection to Centra in the event of any prohibited disclosure. To the extent access to confidential information is sought, Interveners need to first communicate with Centra to resolve the disclosure issues before bringing motions to the Board to resolve remaining disputes.

The following are the exceptions where the Board has determined that the requested redactions are not supported by Centra's Redaction Criteria and the Board's Rule 13 for confidential treatment. In these instances, Centra is to refile its public information within 6 days of the issuance of this decision:

Centra's Motion re: Round Two Information Request Responses:

PUB/Centra II-23 (page 2): Only the proposed redactions of the numbers for the first three fiscal years are to be lifted as Centra has provided this information on the public record.

PUB/Centra II-23 (page 7): Only the proposed redactions of the numbers for the earlier fiscal year are to be lifted as Centra has provided this information on the public record.

PUB/Centra II-48: Only the proposed redactions in the last line of part (b) are to be lifted as the proposed redactions do not satisfy Rule 13 redaction criteria.

PUB/Centra II-50: Only the proposed redactions in the first part of the first sentence of the question are to be lifted as Centra has provided this information on the public record.

CAC/Centra II 141(i): While the redactions are to remain, the Board notes that the public version has omitted the Attachment entirely and which should now be filed by Centra.

CAC/Centra II-142 (page 16 of 17 page attachment) Only the proposed redaction of the row 15 information in the far right column should be lifted as Centra has provided this information on the public record.

IGU/Centra II-33: Only the proposed redaction on page 6 of 10 should be lifted as Centra has provided this information on the public record.

Board Adjudication of the Motion for Confidentiality of the Darren Rainkie and Kelly Derksen Evidence in the 2019/20 GRA Evidence:

On June 25, 2019 the Consumers' Association of Canada (Manitoba) Inc. filed with the Board and Centra the written evidence by Darren Rainkie and Kelly Derksen. Centra assisted CAC and the PUB by proposing redactions of information that should remain confidential and not placed on the public record for the reasons above specified. The Board has now reviewed and approved the proposed redactions identified by, and communicated to, Centra.

By this Letter Decision, the Board is again requesting Centra's assistance in circulating to the Distribution List as soon as possible the now approved redacted version of the Rainkie/Derksen evidence.

Conclusion:

Should any party have questions of clarification, please contact our office.

Board decisions may be appealed in accordance with the provisions of Section 58 of *The Public Utilities Board Act*, or reviewed in accordance with Section 36 of the Board's Rules of Practice and Procedure ("Rules"). The Board's Rules may be viewed on the Board's website at <http://www.pubmanitoba.ca>.

Sincerely,



Rachel McMillin
Assistant Associate Secretary

RM/klS

cc: Paul Chard, Manitoba Hydro
Shannon Gregorashuk, Manitoba Hydro
Bob Peters/Dayna Steinfeld, Board Counsel
Brady Ryall/Roger Cathcart, Board Advisors