

July 11, 2019

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

VIA EMAIL

- and -

Approved Interveners

Dear Parties:

Re: Proposed Redactions to the Evidence of Mr. R. DeWolf in the 2019/20 Centra Gas Manitoba Inc. (“Centra”) General Rate Application;

And Re: Centra’s Request to Review and Vary the Board’s July 3, 2019 Letter Decision on Redactions to Centra’s Round 2 Information Responses

Background:

This Letter Decision addresses Centra’s July 5, 2019 and the inferred Consumers’ Association of Canada (Manitoba) Inc.’s (“CAC”) 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 the proposed redactions in the written evidence of Mr. R. DeWolf.

This Letter Decision also addresses Centra’s July 9, 2019 request to ‘Review and Vary’ certain decisions made by the Board in its July 3, 2019 Letter Decision which adjudicated the redaction requests related to Centra’s responses to Round 2 Information Requests.

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 and CAC

have made requests of the Board to keep certain information confidential and not place it on the public record.

Centra's and CAC's grounds for seeking specific information not be placed on the public record are that this information pertains to Centra's operations and if such information was disclosed on the public record, Centra would suffer undue financial loss and its competitive position would be harmed. Furthermore, Centra and CAC submit that the proposed redacted information has consistently been treated as confidential and that Centra's and CAC's interests in confidentiality outweigh the public interest in disclosure of the information.

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 Centra’s and CAC’s Motion for Confidentiality of Portions of the DeWolf 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 Motion seeking confidential treatment of portions of the DeWolf evidence.

Except as expressly indicated in this Letter Decision, the Board accepts Centra’s submissions in its Rule 13 Confidentiality Motion respecting the DeWolf 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, June 11, 2019, and July 3, 2019 holding this information in confidence outweighs the public interest in disclosure of this information.

The following are the exceptions where the Board has determined that the requested redactions in the evidence of Mr. DeWolf are not supported by Centra’s and CAC’s grounds or the Board’s Rule 13 for confidential treatment. In these instances, Centra and CAC are to refile a redacted version for public information within 6 days of the issuance of this decision:

-page 4, lines 14 to 16: only Centra’s proposed redactions highlighted in green are to be lifted as Centra has placed this information on the public record;

-page 9, lines 1 and 2: In the question, only Centra’s proposed redactions of the first 6 words and the last word are to be lifted as these proposed redactions do not satisfy the approved redaction criteria;

-page 10, lines 13 and 14: In the question, only Centra’s proposed redactions of the first five words and the twelfth word are to be lifted as these proposed redactions do not satisfy the approved redaction criteria;

Board Adjudication of Centra’s Request to Review and Vary Certain Redactions in Centra’s Responses to Round 2 Information Requests Initially Adjudicated in the Board’s Letter Decision of July 3, 2019:

Except as indicated in this Letter Decision, the Board accepts Centra’s requests to Review and Vary certain decisions related to redactions in Centra’s responses to Round 2 Information Request Responses, such that the redactions proposed by Centra are accepted by the Board.

The following are the exceptions where the Board has determined that the requested redactions in the Round 2 Information Request Responses are not supported by Centra’s grounds or the Board’s Rule 13 for confidential treatment. In these instances

Centra is to refile a redacted version for public information within 6 days of the date of this Letter Decision.

-PUB/Centra II-50 a): In the question, only Centra's proposed redactions of the first 18 words are to be lifted;


- IGU/Centra II-33: Only the proposed redactions in the Distribution and Onsite columns on page 3 of 5 of Attachment 1 and the proposed redactions on page 6 of 10 of Attachment 2 should be lifted as Centra has put the total on the public record. In addition, similar information in the Distribution and Onsite columns in PUB/Centra I-137 Attachment pages 1 and 2 of 2 should be lifted as Centra has put the total on the public record.

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/dv

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