

February 26, 2019

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

VIA EMAIL

- and -

Interveners of Records (per attached list)

Dear Parties:

**Re: Centra Gas Manitoba Inc.'s 2019/20 General Rate Application and Rule 13  
Motion Respecting Confidential Information**

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**Background:**

On November 30, 2018 Centra Gas Manitoba Inc. ("Centra" or "Utility") filed its 2019/20 General Rate Application ("GRA") with the Public Utilities Board ("PUB" or "Board"). While Centra is not seeking a general revenue increase for the Utility, the rates for some classes will change effective August 1, 2019.

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

In the filing of its GRA, and pursuant to Rule 13 of the PUB's Rule of Practice and Procedure (available on the Board's website [www.pubmanitoba.ca](http://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 GRA filing of November 30, 2018. 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 Board 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.*"

### **Centra's Rule 13 Motion for Confidentiality of Specific February 1, 2019 Interim Primary Gas Application Information:**

While this letter decision adjudicates Centra's Rule 13 Motion seeking confidential treatment of information included in Centra's 2019/20 GRA submission of November 30, 2018, the Board has also adjudicated Centra's January 18, 2019 Revised Rule 13 Motion seeking confidential treatment of certain information in its February 1, 2019 Interim Primary Gas Rate Application. These two Motions are related as some of the confidential information in the Primary Gas Application overlaps with information in this GRA.

In Board Order 16/19, the Board accepted the redaction requests in Centra's revised February 1, 2019 Interim Primary Gas Rate Application and held (on page 13):

*After consideration of Centra's Rule 13 Motion for confidentiality of specific information in Centra's Primary Gas Application, the Board finds that it is in the public interest to maintain that specific information in confidence. The Board is of the opinion that disclosure of the information could reasonably be expected to result in undue financial loss or gain to Centra and its customers who are directly or indirectly affected by the Application, or would harm significantly Centra's competitive position.*

### **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 Proceeding (available on the Board's website at [www.pubmanitoba.ca](http://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 Manitoba Hydro 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 Motion for Confidentiality of Specific 2019/20 GRA Evidence:**

A Panel of the Board consisting of the Natural Gas Panel Chair Larry Ring, Q.C., Vice Chair Marilyn Kapitany, and Board Member Carol Hainsworth heard Centra's Rule 13 Motion seeking confidential treatment of specific evidence 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 for its 2019/20 GRA 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 Board Order 16/19, 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 counter-parties 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 10 days of the issuance of this decision

#### Tab 7

Page 2 of 12: Only in Figure 7.1 and only the proposed redactions of the average customers by class for only the last two listed customer classes is to be lifted as Centra has provided this information on the public record;

Page 4 of 12: The proposed redactions in the last sentence on this page are to be lifted as the proposed redactions do not contain specific customer volume information.

Page 5 of 12: The proposed redaction on this page is to be lifted as Centra has provided this information on the public record.

#### Appendix 7.1 and Completeness Review (Tab 14) Attachments 8 & 9

The Board has determined that it is not in the public interest nor consistent with Rule 13 for Centra to redact the entirety of the Natural Gas Volume Forecast. Centra is therefore directed to refile its proposed specific redactions for this document, bearing in mind that information which the Utility has filed previously and the headings in tables should not be redacted unless the words themselves are to be considered confidential.

The Board will adjudicate the refiled Appendix 7.1 and related Completeness Review attachments in the confidentiality motion pursuant to Rule 13 criteria.

#### Appendix 7.2

While the Board accepts the redaction criteria offered in Centra's December 12, 2018 letter, the Board requires Centra to resubmit a proposed redacted Appendix 7.2 to be consistent with Tab 7 Figures 7.1 through 7.3, as well as the Tab 7 p. 2 of 12 redaction exception mentioned above.

The Board will adjudicate the refiled Appendix 7.2 and the associated confidentiality motion pursuant to Rule 13 criteria.

### Tab 8

Pages 26 and 27 of 52: Only the last proposed redaction on line 33 on page 26 and the first proposed redaction on lines 3 and 4 on page 27 are to be lifted as Centra has provided this information on the public record.

Page 28 of 52: Only the first proposed redaction on line 2 on this page is to be lifted as the Board has determined it is not properly within the exceptions to public disclosure pursuant to Rule 13.

Page 30 of 52: Only the proposed redaction on lines 17 and 18 on this page are to be lifted as the Board has determined they are not properly within the exceptions to public disclosure pursuant to Rule 13.

Page 33 of 52: Only the proposed redaction on line 9 on this page is to be lifted as Centra has provided this information on the public record.

Page 39 of 52: Only the proposed redaction on lines 6 and 7 on this page is to be lifted as Centra has provided this information on the public record.

Page 44 of 52: Only the proposed redaction on lines 14 and 15 on this page is to be lifted as Centra has provided this information on the public record.

### Schedule 8.5.2(b)

Only the proposed redaction of the number in the middle column on line 19 on this page is to be lifted as Centra has provided this information on the public record.

### Schedule 8.5.6(a)

Only the proposed redaction of the number in the middle column on lines 5, 7, and 10 on this page are to be lifted as Centra has provided this information on the public record.

### Schedule 8.6.2(b)

Only the proposed redaction of the number in the middle column on line 10 on this page is to be lifted as Centra has provided this information on the public record.

### Tab 10

Page 14 of 14: Only the proposed redactions of the numbers in the '2013/14 Approved' column in Figure 10.4 are to be lifted as Centra has provided this information on the public record.

Page 14 of 14: Only the proposed redactions of the 'Non-gas allocated (\$)' numbers for both 'Firm Supplemental OH Rate' and 'INT Supplemental OH Rate' in the '2019/20 Proposed' column of Figure 10.4 on this page are to be lifted as Centra has provided this information on the public record.

Schedule 11.3.1

Only the proposed redaction of the number on line 18 under the 'Total' heading on this page is to be lifted as Centra has provided this information 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,

A handwritten signature in black ink, appearing to read "R McMillin". The signature is fluid and cursive, with the first name "Rachel" and last name "McMillin" clearly distinguishable.

Rachel McMillin  
Assistant Associate Secretary

RM/cls

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