

February 18, 2022

VIA EMAIL

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

Dear Mr. Czarnecki:

Re: Centra Gas Manitoba Inc. (Centra) Cost of Service Study Methodology Review

Background

The purpose of this letter is to recommence the public hearing process for the above-referenced Centra Cost of Service Study Methodology Review now that Centra's 2021 Rate Re-bundling Application and Manitoba Hydro's 2021/22 Interim Rate Application have been adjudicated.

Centra's Cost of Service Study Methodology Review Application (COSS Application) was filed with the Board on June 15, 2021. The COSS Application contained Centra's background information, Atrium Economics LLC.'s (Atrium) Report, Centra's response to Atrium's recommendations, and Centra's responses to the Minimum Filing Requirements that were issued by the Board on December 24, 2020.

In the Board's First Procedural Order 80/21 Centra was provided direction to notify the public inviting applications for intervenor status from prior Interveners of record, registered Natural Gas Marketers, and customers of Centra. In that Order, the Board also granted Centra's motion for certain information within the COSS Application to be received in confidence pursuant to the Board's Rules of Practice and Procedure.

Having reviewed Centra's COSS Application as filed (and as available on the Board's website), the Board finds it complete and the Board is prepared to recommence the public hearing process.

Amendments to Centra's COSS Application

In the Board's December 2, 2021 Order 131/21 in respect of Centra's Rate Re-bundling it is noted that to effect the Board-approved rate re-bundling changes, amendments are required to Centra's COSS Application and that:

The Board is advised that it is Centra's intention is to seek approval from the Board for these consequential amendments to the Cost of Service Study as part of Centra's Cost of Service Methodology Review process which has been filed with the Board and which is expected to be heard in 2022.

Centra should ensure that it makes and circulates its proposed revisions to the Cost of Service Study Methodology to the Board and Parties involved following the issuance of this Order. (Order 131/21 p. 25 of 28)

The Board requests that, by February 28, 2022, Centra notify the Board and the Intervener Applicants of Centra's proposed revisions to the COSS Application including the proposed treatment of:

- TCPL compressor fuel
- Nova Gas Transmission Line costs
- the Primary Gas and Supplemental Gas customer classes

Additional Pre-Hearing Conference(s)

Following the Board's receipt and review of the information to be provided by Centra in response to the Board's requests in this letter, the Board intends to conduct a further Pre-Hearing Conference.

Rather than convene an in-person Pre-Hearing Conference, the Board currently intends to provide information and directions through its procedural Orders based on the written submissions and information before the Board.

Centra and the Intervener Applicants can therefore expect an invitation for written submissions and recommendations on scope, interveners and their consultants, and a timetable of procedures to facilitate the orderly exchange of evidence on contested issues before the Board.

In the interim, should there be any questions of clarification, please send your written requests to the attention of the writer.

Regards,



Rachel McMillin
A/Associate Secretary

cc: Intervener Applicants
Shannon Gregorashuk / Darryl Martin, Manitoba Hydro
Bob Peters Board Counsel
Brady Ryall / David Bonin, Board Advisor