

Order No. 162/19

**PROCEDURAL ORDER IN RESPECT OF EFFICIENCY MANITOBA'S 2020/23
EFFICIENCY PLAN SUBMISSION**

November 5, 2019

BEFORE: Robert Gabor, Q.C., Board Chair
Marilyn Kapitany, B.Sc., (Hon), M.Sc., Vice-Chair
Hugh Grant, PhD, Member
Irene Hamilton, Q.C., Member

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1.0 Executive Summary

On January 24, 2018, *The Efficiency Manitoba Act* (the “Act”) came into force, establishing Efficiency Manitoba as a new provincial Crown Corporation. The mandate of Efficiency Manitoba includes implementing and supporting demand-side management initiatives to achieve savings in the consumption of electrical energy and natural gas in amounts prescribed by legislation.

As part of its mandate, Efficiency Manitoba is required to prepare an efficiency plan for an initial three-year period and for each three-year period thereafter. Efficiency Manitoba must submit each of its efficiency plans to the Public Utilities Board of Manitoba (“Board”) for the Board’s review and preparation of a report, with recommendations, to the minister as to whether the efficiency plan should be approved, approved with suggested amendments, or rejected.

Until Efficiency Manitoba begins delivering efficiency programs under the Plan, electric and natural gas demand-side management programming is provided through Manitoba Hydro and Centra Gas Manitoba Inc. (“Centra”) Previously, this programming was delivered by Manitoba Hydro and Centra under the PowerSmart program. In 2016/17, Manitoba Hydro completed a 15-year plan for the delivery of demand-side management programs. Since 2016/17, Manitoba Hydro has prepared one-year updates to its 15-year plan.

On October 25, 2019, Efficiency Manitoba filed its first three-year efficiency plan, the 2020/21 to 2022/23 Efficiency Plan submission (the “Plan”) with the Board, commencing the process of the Board’s public review of the Plan.

Pursuant to the Efficiency Manitoba Regulation, the commencement date for the Plan is April 1, 2020. While the Regulation also requires that the Plan be submitted to the Board no later than six months before the commencement date (i.e. October 1, 2019). However, as detailed in a provincial government news release, the Plan was not filed until October

25, 2019 to facilitate review by the government of program delivery and the whole-of-government implications on summary budgeting.

Following the filing by Efficiency Manitoba of the Plan, the Board conducted a written Pre-Hearing Conference. The purposes of the Pre-Hearing Conference were to:

- a. identify and approve appropriate Interveners who are to assist the Board in its review of the Plan;
- b. identify the issues that are included in the scope of the hearing; and
- c. finalize a process and timetable for the orderly exchange of evidence and the conduct of the oral public hearing.

The Board received written applications for Intervener status and written submissions on issues, process, and the timetable from the following:

- i. Assembly of Manitoba Chiefs
- ii. Consumers' Association of Canada (Manitoba) Inc. and Winnipeg Harvest (the "Consumers Coalition")
- iii. Council of Canadians, Winnipeg Chapter
- iv. Manitoba Industrial Power Users Group
- v. Manitoba Keewatinowi Okimakanak

By this Order, the Board approves the Applications to Intervene by Assembly of Manitoba Chiefs, Consumers Coalition, Manitoba Industrial Power Users Group, and Manitoba Keewatinowi Okimakanak, all subject to working within the scope of issues that are approved by the Board.

Interveners seeking cost awards are now required, within 10 days of the issuance of this Order, to prepare and file their detailed cost estimates with the Board for review and comment by Board staff, pursuant to the process set out in the Board's Intervener Cost Policy as found on the Board's webpage for the Board's review of Efficiency Manitoba's 2020/23 Efficiency Plan submission.

The Board approves the issues as enumerated in the list, attached to this Order as Appendix A, as being in scope for the Plan review, while the issues enumerated in Appendix A as being deferred or out of scope will not form part of the review.

The timetable for the process steps is also approved and attached to this Order as Appendix B.

2.0 Procedural History

On October 25, 2019, Efficiency Manitoba filed its 2020/21 to 2022/23 Efficiency Plan submission with the Board.

The Board conducted a written Pre-Hearing Conference with Efficiency Manitoba and prospective Interveners. In their written Intervener Application forms and their written Pre-Hearing Conference submissions, the prospective Interveners provided submissions on their Applications for Intervention, indicated their recommended issues of primary consideration in the review of the Plan, and some identified possible witnesses for their proposed interventions. Furthermore, the Board reviewed the proposed timetable submitted by Efficiency Manitoba on October 30, 2019, as well as the November 4, 2019 response of Efficiency Manitoba to the Intervener Applications and procedural submissions.

Efficiency Manitoba and prospective Interveners provided written submissions respecting the scope of the Plan review process and the issues to be canvassed during the review. Finally, the Board considered a timetable for the orderly exchange of evidence and hearing.

The Board has also retained an Independent Expert Consultant, Daymark Energy Advisors, to assist the Board and parties in the review of the Plan.

3.0 Submissions Regarding Intervener Participation, Hearing Process, and Scope of Review

The following summarizes the submissions received by Efficiency Manitoba and prospective Interveners regarding Intervener participation, the hearing process, and the scope of review.

Assembly of Manitoba Chiefs

Assembly of Manitoba Chiefs is the political and advocacy coordinating body that represents 62 of 63 First Nations in Manitoba. Assembly of Manitoba Chiefs represents a diverse community of First Nations people under Treaties 1 through 6 and 10, who live throughout Manitoba, including the most rural, southerly and northern areas in Manitoba. All member First Nations of the Assembly of Manitoba Chiefs, the institutions associated with and operated by First Nations, and the Assembly of Manitoba Chiefs Secretariat are Manitoba Hydro ratepayers and rely on Manitoba Hydro for their electrical power. The Assembly of Manitoba Chiefs represents both residential and general service ratepayers, as well as First Nations and individuals living in remote communities, including First Nations and individuals with limited means and who may face housing insecurity and energy poverty.

Assembly of Manitoba Chiefs has previously intervened in applications before the Board, including in the Manitoba Hydro 2017/18 & 2018/19 General Rate Application, in which there was evidence on the disproportionate level of energy poverty facing First Nations people on-reserve. This issue is closely related to the legislated requirements of the Plan.

Assembly of Manitoba Chiefs intends to intervene on the following issues through an examination of the effect on First Nations customers, as distinct from the umbrella term “Indigenous” used in the Plan:

- Whether Efficiency Manitoba is reasonably achieving the aim of providing initiatives that are accessible to all Manitobans, and specifically the accessibility of

the Plan to First Nations people within the context of affordability and energy poverty issues;

- The appropriateness of the methodologies used by Efficiency Manitoba to select or reject demand-side management initiatives;
- The benefits and cost-effectiveness of the initiatives proposed in the Plan;
- Whether the Plan adequately considers the interests of residential, commercial and industrial customers;
- The impact of the Plan on Rates and average customer bill amounts;
- Whether, if it is practical to do so, at least 5% of Efficiency Manitoba's budget for demand-side management initiatives is allocated to initiatives targeting low-income or hard-to-reach customers;
- Consideration of non-energy benefits of electric and natural gas demand-side management portfolios;

Assembly of Manitoba Chiefs states that it will participate fully and actively in the proceedings, including testing evidence and conducting cross-examinations, if necessary. Assembly of Manitoba Chiefs intends to file expert evidence on First Nations issues in the Plan and proposes retaining a consultant from Willow Springs Strategic Solutions. Assembly of Manitoba Chiefs advises that it intends to work with other Interveners to minimize duplication as much as possible.

Assembly of Manitoba Chiefs intends to seek a cost award.

Consumers' Association of Canada (Manitoba) Inc. and Winnipeg Harvest ("Consumers Coalition")

The Consumers Coalition is comprised of the Consumers' Association of Canada (Manitoba) Inc. and Winnipeg Harvest. The Consumers Coalition states in its Intervener Application that the Consumers' Association of Canada (Manitoba) Inc is a volunteer, non-profit independent organization working to inform and empower consumers, and to represent the consumer interest in Manitoba. Formed in 1947, the organization is governed by a volunteer Board of Directors, elected annually at a general meeting of the

organization's membership. It is a branch of the national Consumers' Association of Canada, but is financially separate and separately incorporated. The organization's policy is guided by its understanding of generally accepted consumer rights.

Winnipeg Harvest is a non-profit, community-based organization committed to providing food to people who struggle to feed themselves and their families. It provides emergency food assistance to almost 64,000 people a month across Manitoba and shares food with more than 50 Manitoba communities through the Manitoba Association of Food Banks and through partnerships with nearly 400 agencies to distribute surplus food to hungry families all over Manitoba. Approximately 50% of its clients are in receipt of social assistance.

This prospective Intervener submits that both the Consumers Association of Canada (Manitoba) Inc. and Winnipeg Harvest have long-standing experience with matters relating to rate-setting across five industries and have been active participants in Manitoba Hydro rate-setting proceedings for a number of years, including on issues of demand-side management and bill affordability.

The Consumers Coalition submits that it represents the interests of Manitoba Hydro's largest customer class, that has over 500,000 Residential electric customers. It states in its Intervener Application that the Plan will be funded by Manitoba Hydro and its ratepayers. Energy efficiency initiatives directly affect residential customers by assisting them in meeting their energy needs through energy efficient measures. In addition, this prospective Intervener states that reduced domestic load requirements allow for reduced capital expenditures and increased energy available for export, which can lead to lower rates overall for Manitoba customers.

The Consumers Coalition seeks to intervene to protect the interests of residential consumers by examining the Plan and the extent to which engagement with Manitoba consumers informed the proposed Plan. It states that the efficiency plan that is approved will directly affect residential ratepayers through their ability to participate in efficiency programs and initiatives, as well as the rates they pay on their customer bill from Manitoba

Hydro or in the amount they pay in rent. Specifically, the Consumers Coalition states that it will test the following issues, which it recommends be included on the issues in scope for the proceeding:

- The approach taken by Efficiency Manitoba to develop its plan;
- An assessment of the reasonableness of the projected savings, including an assessment of the methodology used to determine the net savings;
- An examination of Efficiency Manitoba's proposed plan to reach the savings target;
- An analysis of Efficiency Manitoba's proposed evaluation framework;
- The cost effectiveness of programs, including an analysis of the inputs and methodology for calculating the cost effectiveness metrics used to assess Efficiency Manitoba's proposed plan;
- The Plan's impact on rates and average customer bill amounts and whether that impact is reasonable;
- The level of consumer engagement in developing the Plan;
- Compliance of Efficiency Manitoba with directions from government;
- Consumer choices available in the Plan and whether the range of choices is reasonable;
- Whether the Efficiency Manitoba administrative budget is reasonable and an examination of the allocation of EM's administration and/or overhead budget to gas and electricity customers; and
- An examination of the impact of decarbonization and electrification on the way Efficiency Manitoba savings goals are defined, and the role Efficiency Manitoba could/should play in supporting decarbonization and electrification

In its Intervener Application, the Consumers Coalition states that it intends to participate fully and actively. The Consumers Coalition intends to retain the services of expert consultants Mr. William Harper, Dr. Patricia Fitzpatrick, and Energy Futures Group. The Consumers Coalition has also discussed collaborating with Manitoba Keewatinowi Okimakanak to present a panel of ratepayers. The Consumers Coalition intends to seek a costs award.

The Consumers Coalition comments that the contemplated compressed timeline for the review of the Plan, with what it states is insufficient time for Interveners to prepare evidence, is concerning. It submits that there is a paucity of information in Efficiency Manitoba's filing, and that the compressed timeline will not allow for a meaningful process. The Consumers Coalition recommends that the Board request an extension of time from the provincial government for implementation of the efficiency plan beyond April 1, 2020. If that extension is not granted, the Consumers Coalition proposes that the draft timetable prepared by Efficiency Manitoba be amended.

The Consumers Coalition also recommends that Interveners, their technical experts, and their legal teams be granted access to confidential information, pursuant to a confidentiality agreement. Alternatively, if an Independent Expert Consultant is retained to review confidential information and produce a public report, parties should be entitled to examine the qualifications of the Independent Expert Consultant and the Independent Expert Consultant should be directed to seek input from parties on areas of inquiry.

Council of Canadians (Winnipeg Chapter)

The Council of Canadians (Winnipeg Chapter) filed its Intervener Application form on October 31, 2019. This prospective Intervener provided additional submissions on its proposed intervention in written correspondence filed with the Board in November 4 and 5, 2019

The Council of Canadians is a federal not-for-profit corporation, which has within its mandate participating in regulatory proceedings involving energy use in Canada, particularly in the context of climate change mitigation. The Winnipeg Chapter is an unincorporated association recognized by the by-laws and policy guidelines of the Council of Canadians and is a focal point for more than 600 Council of Canadians supporters in Manitoba. The Winnipeg Chapter or its supporters have participated in two regulatory proceedings in recent years, both before the National Energy Board.

In its Intervener Application, the Council of Canadians (Winnipeg Chapter) states that it is one of very few non-governmental organizations in Manitoba that draws significant support from across the province. According to this prospective Intervener, the mandate of Efficiency Manitoba is of critical concern to all of its supporters as Efficiency Manitoba is a significant part of the Province's stated intentions to address climate change mitigation. Further, this prospective Intervener states its view that the time available to make material progress on climate change is short and plans to incentivise and support reductions in greenhouse gas emissions and encourage associated energy transitions away from fossil fuel use cannot be experimental or taken in isolation from other regulated entities.

The Council of Canadians (Winnipeg Chapter) intends to intervene in respect of the following issues:

- 1) The planning linkages between Efficiency Manitoba, Manitoba Hydro and Centra Gas;
- 2) The appropriateness of incentive structures that continue to support growth in or continued use of natural gas in residential and commercial heating;
- 3) How success in reducing greenhouse gas emissions will be assessed, particularly in respect of the differences between reducing actual aggregate emissions and aggregate emissions referencing "business-as-usual" projections;
- 4) Testing the reasonableness of methodology used to project net savings including participant and Manitoba Hydro benefits;
- 5) Testing the reasonableness of methodology used to project the cost-effectiveness of electric and natural gas demand-side management program bundles and portfolio;
- 6) The reasonableness of Efficiency Manitoba's overhead budget;

- 7) Consideration of non-energy benefits of electric and natural gas demand-side management portfolios, including environmental and economic development;
- 8) Compliance of Efficiency Manitoba with directions from government through mandate and framework letters;
- 9) Cost effectiveness of electric and natural gas demand-side management program bundles and portfolio;
- 10) Questioning the demand-side management evaluation framework and plan proposed by Efficiency Manitoba, in contrast to alternative evaluation frameworks and scenarios that could be used to determine near-term and cumulative impact;
- 11) Consideration of new and emerging technologies that may be included in a future efficiency plan; and
- 12) The provincial Climate Plan and broader provincial policies on energy strategy as part of an analysis of the reductions in greenhouse gas emissions in Manitoba expected to result from the initiatives proposed.

The Council of Canadians (Winnipeg Chapter) intends to participate fully, including attending hearings, participating in the testing of evidence of all parties and cross-examination of witnesses, and filing expert evidence. This Intervener proposes to retain one expert witness, Dennis LeNeveu of LeNeveu Simulations Inc, to provide evidence on the greenhouse gas effects of Efficiency Manitoba's Plan in the context of interfacing with the Manitoba Green Plan; national climate change mitigation strategies; and Board-regulated Manitoba Hydro plans and Centra Gas plans, particularly with regard to transition away from fossil fuels.

The Council of Canadians (Winnipeg Chapter) intends to seek an award of costs.

Manitoba Industrial Power Users Group

Manitoba Industrial Power Users Group is an association of companies which are substantial users of power in the General Service Large rate classes (including all three voltage classes). Manitoba Industrial Power Users Group members also include natural gas rate users in rate classes encompassing High Volume Firm, Main Line Firm, Large General Service, Interruptible, and Special Contract service. Collectively, Manitoba Hydro and Centra Gas customers within the industrial sector account for more than 35% of Manitoba's domestic electric consumption and nearly 40% of natural gas consumption. Manitoba Industrial Power Users Group has intervened in nearly every Manitoba Hydro Application since the late 1980s and a subset of its members have also intervened in the most recent Centra Gas General Rate Application.

In its Intervener Application, Manitoba Industrial Power Users Group states that it intends to focus its intervention on the mandate of ensuring energy rates that are fair, reasonable, and cost-based. Specifically, Manitoba Industrial Power Users Group intends to focus on the reasonableness of the Efficiency Manitoba Plan and the effect of the Plan on rates to be charged by Manitoba Hydro. The reasonableness of the Plan is also relevant as savings targets are determined as a percentage of prior year consumption. As the industrial sector is a major consumer of energy in Manitoba, a material portion of the annual savings targets will be expected to come from the industrial sector generally and Manitoba Industrial Power Users Group members specifically. Manitoba Industrial Power Users Group intends to test the achievability of the Plan within the industrial sector and the cost-effectiveness of the Plan overall.

Manitoba Industrial Power Users Group states that it intends to address the following issues in its intervention:

- The framework and mandate for Efficiency Manitoba's activities and an appropriate approach to regulatory review;
- The reasonableness and achievability of the Plan, the energy savings targets encompassed within the Plan and the long-term implications;

- Whether the Plan adequately considers the interests and priorities of industrial customers;
- The benefits, cost-effectiveness and rate impacts of programming outlined in the Plan;
- Whether the cost-effectiveness tests have been correctly applied and the value of conserved energy has been appropriately determined;
- Whether the cost-effectiveness tests have been properly considered taking into account the timing and duration of savings;
- Alternative plans and considerations for the three-year period given relevant near and long-term considerations;
- The appropriateness of the methodologies used by Efficiency Manitoba to select or reject efficiency initiatives and implementation timing;
- Evaluating Efficiency Manitoba's performance, justification, and proposed metrics for achieving the objectives and outcomes of the Plan;
- The impact of emerging and evolving energy technologies on the short and long-term content of the Plan.

Manitoba Industrial Power Users Group intends to participate fully in the proceeding, while coordinating with the Consumers Coalition and others to identify areas of mutual concern and avoid duplication. Manitoba Industrial Power Users Group proposes to retain Mr. Dale Friesen, Mr. Patrick Bowman, and Ms. Melissa Davies of InterGroup Consultants Ltd. as expert witnesses and consultants.

Manitoba Industrial Power Users Group intends to seek a costs award.

In its written process submissions, Manitoba Industrial Power Users Group expresses concern over the anticipated compressed schedule for the review of the Plan and that this may compromise the ability of the Board and Interveners to conduct a thorough and meaningful review. This prospective Intervener suggests that the implementation date be delayed by at least a month. If this is not possible, Manitoba Industrial Power Users Group proposes a schedule for the completion of the Board's report.

Manitoba Industrial Power Users Group also states that Efficiency Manitoba's proposed scope for the review divides critical elements of the hearing into two separate proceedings, with the review of Efficiency Manitoba efficiency plans separated from reviews of Manitoba Hydro rate applications despite the interrelationship and interdependence of elements of these reviews. Manitoba Industrial Power Users Group notes particular details that it submits are absent from the filing including: load forecast information by sector; projected annual savings, costs and representative load profiles; expectations for additional participant investment; marginal value information for sector programs; and time-of-use and seasonal value of capacity and energy.

Manitoba Keewatinowi Okimakinak Inc. ("MKO")

MKO represents more than 65,000 treaty First Nation citizens in northern Manitoba. It has operated for more than 35 years as a non-profit advocacy organization. MKO explores ways to strengthen and promote the interests of First Nations in northern Manitoba with respect to all areas that affect the lives of northern First Nations' citizens.

This prospective Intervener states that all citizens of MKO First Nations, the MKO First Nation government facilities, and all entities operated by MKO First Nations receive electrical service solely from Manitoba Hydro – including all four Diesel communities - and may benefit from increased energy efficiency efforts. MKO states further that it is seeking to intervene to ensure that the direct interests of the MKO First Nations, entities, and citizens are properly considered, and appropriately factored into the Plan. MKO's Intervener Application states that the majority of MKO citizens are in the low-income category and the general service customers represented by MKO have limited, if any ability to absorb any additional costs.

MKO has intervened in previous regulatory matters before the Board and other decision-makers, including in matters relating to Manitoba Hydro. In this proceeding, MKO states that it intends to address the following issues as they specifically relate to First Nation consumers in northern Manitoba:

- Reasonableness of projected electric net savings to meet prescribed savings targets, specifically the reasonableness of the methodology to project net savings, electric net savings compared to savings targets, appropriateness of the methods to select or reject demand-side management initiatives, and consideration of new and emerging technologies;
- Cost-effectiveness of electric demand-side management program bundles and portfolio, specifically the reasonableness of the methodology to evaluate cost effectiveness, rate impact and customer bill impacts (limited to lifecycle revenue impact analysis), and reasonableness of Efficiency Manitoba's overhead budget (limited to the 2020/21 to 2022/23 planning horizon);
- Accessibility of the Plan to Manitobans (including to First Nations and First Nation citizens in Manitoba, including consideration of interests of First Nation On-Reserve Residential, commercial, and industrial customers);
- Consideration of non-energy benefits of electric demand-side management portfolios;
- Compliance of Efficiency Manitoba with directions from government;
- Consideration of the evaluation framework and plan proposed by Efficiency Manitoba;
- Consideration of the appropriate percentage of the demand-side management budget for low income and hard to reach customers, with specific consideration of the budget for First Nations customers and customers living on-reserve (including those serviced by diesel);
- Consideration of barriers to demand-side management uptake on-reserve; and
- Consideration of the engagement strategy with respect to low income and hard to reach customers, with specific consideration of the engagement strategy with respect to First Nation customers and customers living on-reserve (including those serviced by diesel).

MKO states that it intends to participate by testing Efficiency Manitoba's evidence and that of other Interveners through the Information Request process, cross-examination,

and argument. MKO does not anticipate submitting evidence or calling expert witnesses, and anticipates coordinating with other Interveners to avoid duplication. In its Intervener Application, MKO notes that it has had preliminary discussions with the Consumers Coalition regarding presenting a panel of ratepayers to provide evidence regarding their experiences with energy efficiency and demand-side management.

MKO intends to seek an award of costs for its participation.

Efficiency Manitoba

On October 30, 2019, Efficiency Manitoba provided its proposed timetable for the exchange of evidence and review process steps.

On November 4, 2019, Efficiency Manitoba provided its comments on the Intervener applications and issues raised by the prospective Interveners. Its comments are summarized below:

- Efficiency Manitoba does not object to the Board granting Intervener status to the Consumers Coalition, the Manitoba Industrial Power Users Group, the Assembly of Manitoba Chiefs and Manitoba Keewatinowi Okimakanak;
- Efficiency Manitoba recommends that the Council of Canadians (Winnipeg Chapter) not be approved for Intervener status as this prospective Intervener represents a group that is already represented by other Interveners and seeks to intervene on issues that are out of scope for this proceeding;
- Efficiency Manitoba expresses concern about the scope of the intended interventions and the number of experts being proposed by the parties. It recommends that the scope of the public review inform the requirement for expert evidence from the parties, and provides specific responses to the matters sought by the prospective Interveners to be included in the scope of the proceeding;
- Efficiency Manitoba is not able to provide evidence on date forecasts and analyses such as electricity and natural gas load forecasts, marginal values of electricity and

natural gas, and the resource planning process undertaken by Manitoba Hydro, as these matters are in the exclusive domain of Manitoba Hydro and Centra Gas;

- Decarbonization and electrification are not in-scope in this proceeding because the Regulation excludes from the review matters including the electrification of transportation and fuel switching between fossil fuels (other than natural gas) and electricity;
- Matters such as bill affordability and energy burden are broad topics that encompass many factors beyond the provision of energy efficiency measures and as such, in and of themselves, these matters ought to be out of scope. As well, the Board is explicitly directed in the Act and Regulation to not consider socio-economic factors in its review; and
- Efficiency Manitoba recognizes that the timelines are challenging for the review, but notes that the Regulation requires the commencement of the Plan on April 1, 2020.

4.0 Board Findings

Intervener Status and Intervener Costs

Interveners, through their active efforts, are to assist the Board in the hearing process, including in its understanding of the issues that are determined to be within the scope of the Board's review of the Plan.

The Board denies the Application for Intervener status by Council of Canadians (Winnipeg Chapter). In determining whether intervention status is the appropriate method of participation for a specific Party, the Board considers, for purposes of regulatory efficiency, whether the proposed intervener represents the interests of a group or entity that are not otherwise represented on issues that are within the scope of this hearing. Other Interveners, including the Consumers Coalition, intend to intervene on the matters, and to represent the interests, that the Council of Canadians (Winnipeg Chapter) has identified. Moreover, the Council of Canadians (Winnipeg Chapter) provided limited information in its Application and submissions about the group, entities, or interests that it represents and its mandate. The Board is unable to approve an application for Intervener status without complete information about the applicant and the interests the applicant represents. The Board encourages the Council of Canadians (Winnipeg Chapter) to consider registering to make a public presentation.

The Board has considered the remaining Intervener applications that were submitted in the written Pre-Hearing Conference process. Subject to the condition that Interveners are to work within the scope approved by the Board, as enumerated at Appendix "A" of this Order, the Board approves separate intervener status for each of:

1. Assembly of Manitoba Chiefs
2. Consumers Coalition
3. Manitoba Keewatinowi Okimakanak
4. Manitoba Industrial Power Users Group

All Interveners are to collaborate on common issues and avoid duplication. Failure to avoid duplication will have cost consequences.

Should the Consumers Coalition and Manitoba Keewatinowi Okimakanak determine that they intend to present a ratepayers panel, that request is to be made in writing to the Board by the earlier of December 16, 2019, the date of the second Pre-Hearing Conference, or any deadline established by the Board for the filing of Intervener written submissions on the matters to be addressed at the second Pre-Hearing Conference.

Eligibility for cost awards will be governed by the Board's Intervener Costs Policy, available on the Board's website for the Efficiency Manitoba proceeding. Costs shall be awarded at the sole discretion of the Board following the conclusion of the review proceeding, subject to the Board's approval of a request for Advance of Funds where the eligibility requirements are met. Interveners who intend to seek costs for their participation in the review of the Plan are to, within 10 days of the issuance of this Order, submit their detailed cost estimates for their interventions, including consultants and expert witnesses. Interveners are to use the fillable Excel spreadsheet available on the Board's website for preparing and filing cost estimates and applications for cost awards. Cost estimates that are incomplete or prepared improperly will be returned to the Intervener.

The filing of Intervener cost estimates does not guarantee or disqualify an Intervener from eligibility for a cost award. Any comments provided by Board staff on Intervener cost estimates are not binding on the Intervener or the Board. All cost awards, whether an Advance of Funds or a final costs award, are in the sole discretion of the Board and all applications for cost awards will be considered by the Board in accordance with the criteria set out in Section 3.0 of the Intervener Costs Policy.

Should any approved Intervener seeking an award of costs determine that its scope of participation in the proceeding or its final cost application will deviate or differ materially from its cost estimate, the Intervener is to notify the Board staff forthwith. Such deviations will be considered by the Board after the hearing when it evaluates the contributions made by interveners.

Members of the public are able to provide comments on the Plan through the public presentation process. Presentations may be made in writing through submitting comments on the Board's website, as well as in person through registering with the Board to give an oral public presentation. The registration deadline is Friday, November 29, 2019.

Scope of the Hearing

The Board considered the submissions provided by Interveners and Efficiency Manitoba on the scope of issues for the review proceeding and finds that the issues enumerated in the Issues List attached to this Order as Appendix "A" are in scope in the proceeding. The issues enumerated in Appendix "A" as being deferred and out of scope will not be considered in the review.

Subject to the requirement that Interveners collaborate and avoid duplication, each party granted Intervener status is approved to participate on the issues it has identified as relevant and that are in scope in the proceeding. Intervener experts are to work within and provide evidence on only the matters that are identified as in scope in the proceeding. The evidence filed by experts retained by Interveners must assist the Board on the issues before the Board. Failure of an Intervener expert to follow these requirements in their evidence will have cost consequences for the Intervener that retained that expert witness.

Hearing Process and Timetable

The Board considered the submissions provided by Intervener applicants and Efficiency Manitoba on the appropriate hearing process and timetable for the review of the Plan. Based on those submissions, the Board establishes the timetable for the review of the Plan as contained in Appendix "B" to this Order.

The Board reviewed the concerns regarding the timetable outlined in the submissions of the Consumers Coalition and Manitoba Industrial Power Users Group. While the Board understands the issues identified with a compressed timetable for the review of the Plan, the time period available for the review is a function of the Regulation, which has an April

1, 2020 implementation date for the approved Plan. To meet that implementation date, the Board must have an opportunity to prepare its report containing its recommendation in sufficient time for consideration by the Minister. With an October 25, 2019 filing date, a compressed timetable is simply a reality for all parties and the Board. While these two Interveners recommended that the Board request from government an extension of the implementation date, the implementation date is prescribed by Regulation and the Board's timetable must be consistent with the mandated date.

The timetable established by the Board is intended to achieve a fair and thorough process, with all necessary testing of the evidence and information filed. Although certain process steps that have been scheduled in other Board proceedings, such as a second round of Information Requests, are not included in the timetable, the Board has set 14 oral hearing days. The number of oral hearing days will allow for further testing of evidence through cross-examinations and, where required, undertakings for the filing of further evidence.

The Board encourages all parties to work cooperatively to resolve procedural issues that arise during the course of the proceeding, including where Information Requests are objected to or require clarification.

Parties must limit their Information Requests to seeking information that is relevant to the issues that are in scope in the proceeding and that will assist the Board in its review process. There will be cost consequences for any Intervener that does asks irrelevant, duplicative, or unnecessary Information Requests.

5.0 IT IS THEREFORE ORDERED THAT:

1. Intervener status for the review of Efficiency Manitoba's 2020/23 Efficiency Plan submission **BE AND IS HEREBY APPROVED FOR:**
 - a. Assembly of Manitoba Chiefs;
 - b. Consumers Coalition;
 - c. Manitoba Industrial Power Users Group; and
 - d. Manitoba Keewatinowi Okimakanak
2. The Issues enumerated in Appendix "A" to this Order as being within the scope of the review of Efficiency Manitoba's 2020/21 to 2022/23 Efficiency Plan submission are within the scope of the review and all issues enumerated as being deferred and out of scope are not within the scope of the review;
3. The Timetable for the orderly exchange of evidence in the review of Efficiency Manitoba's 2020/23 Efficiency Plan submission is attached to this Order as Appendix "B".

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. The Board's Rules may be viewed on the Board's website at www.pubmanitoba.ca

THE PUBLIC UTILITIES BOARD

"Robert Gabor, Q.C."
Chair

"Darren Christle, PhD, CCLP, P.Log., MCIT"
Secretary

Certified a true copy of Order No. 162/19
issued by The Public Utilities Board


Secretary

Appendix A: Issues List

The following issues are considered to be within the scope of the Board's review of the Efficiency Manitoba 2020/23 Efficiency Plan:

1. Reasonableness of projected electric and natural gas net savings to meet prescribed saving targets:
 - a. Reasonableness of methodology to project net savings including participant and Manitoba Hydro benefits
 - b. Electric and natural gas net savings compared to savings targets (both near-term and cumulative)
 - c. Appropriateness of the methods to select or reject demand-side management initiatives
 - d. Consideration of new and emerging technologies that may be included in a future Efficiency Plan
2. Cost-effectiveness of electric and natural gas demand-side management program bundles and portfolio:
 - a. Reasonableness of methodology to evaluate cost-effectiveness
 - b. Comparison of levelized cost to Efficiency Manitoba of electricity energy net savings to levelized marginal value to Manitoba Hydro – limited to the marginal value as determined by Manitoba Hydro in its resource planning process
 - c. Comparison of levelized cost to Efficiency Manitoba of natural gas net savings to levelized marginal value to Centra Gas – limited to the marginal value as determined by Centra Gas
 - d. Rate impact and customer bill impacts for both participants and non participants and whether the bill impacts are reasonable - limited to lifecycle revenue impact analysis (one-time equivalent change in rates)
 - e. Reasonableness of Efficiency Manitoba's overhead budget, including the apportionment of Efficiency Manitoba's overhead costs not specifically

- related to gas initiatives and electric initiatives – limited to 2020/21 to 2022/23 planning horizon
- f. Consideration of the total resource costs of the initiatives proposed in the Efficiency Plan
3. Accessibility of Efficiency Plan to Manitobans, including consideration of:
 - a. the interests of residential, commercial and industrial customers, as well as hard-to-reach customers who may have disabilities or be Indigenous, rural, newcomers, renters, customers living in multi-unit residences, or older customers, including consideration of customer investments,
 - b. barriers to demand-side management uptake for Indigenous customers, including First Nations customers, and
 - c. the engagement strategy for low income and hard-to-reach customers, including First Nations customers
 4. Consideration of the appropriate percentage of the demand-side management budget for income qualified and hard-to-reach customers, including specifically for Indigenous and First Nations customers, and whether, if practical, at least 5% of the demand-side management budget is set aside for these customers
 5. Consideration of non-energy benefits of electric and natural gas demand-side management portfolios including environmental, economic development (including use of private sector and non-government organizations to deliver demand-side management initiatives)
 6. Compliance of Efficiency Manitoba with directions from government through mandate and framework letters
 7. Consideration of the demand-side management evaluation framework and plan proposed by Efficiency Manitoba
 8. The mandate for Efficiency Manitoba's activities and recommendations to government regarding net savings targets
 9. Marketing of, and intake of participating customers for, loans or financing programs related to energy efficiency and energy conservation

10. Comparison of the costs and savings forecasts and achievements of past Manitoba Hydro or Centra Gas programs and budgets to Efficiency Manitoba's plan
11. Manitoba Hydro distributed generation (solar or other) net metering policies or prices relating to marketing of, and intake of participating customers for, distributed generation (solar or other) net metering policies or prices – limited to their impact on the take-up of distributed generation by customers

The following issues will be deferred for consideration until the PUB review of the next (2024/26) Efficiency Manitoba Efficiency Plan:

1. Plans to address any existing saving targets shortfalls
2. Cost-effectiveness review of any demand-side management initiatives in excess of prescribed savings targets, unless it is determined that the 2020/21 to 2022/23 Efficiency Plan includes initiatives that exceed the prescribed savings targets in which case the cost-effectiveness of these initiatives shall be included within the scope of the review
3. Reasonableness of Efficiency Manitoba's retrospective performance assessments

The following issues are considered to be out of scope of the PUB review of the 2020/23 Efficiency Manitoba Efficiency Plan:

1. Matters that are not part of the prescribed mandate of Efficiency Manitoba or part of the PUB review the Efficiency Plan:
 - a. Provincial energy strategy
 - b. Made in Manitoba Climate and Green Plan
 - c. Electrical demand response programming
 - d. Potable water or fossil fuel (other than natural gas) demand-side management programming
 - e. Electric vehicles
 - f. Manitoba Hydro eligibility criteria, interest rates and monthly charges related to energy efficiency/energy conservation loan or financing programs

Appendix B: Timetable

Item	Date
Efficiency Manitoba Filing	Friday, October 25, 2019
Intervener Applications and Pre-Hearing Conference Submissions	Wednesday, October 31, 2019 at 12:00 pm
Efficiency Manitoba Response to Intervener Applications and Pre-Hearing Conference Submissions	Monday, November 4, 2019 at 12:00 pm
Information Requests to Efficiency Manitoba	Tuesday, November 12, 2019 at noon
Efficiency Manitoba Responses to Information Requests	Wednesday, November 27, 2019
Deadline for Public Presentation Registrations	Friday, November 29, 2019
Intervener and Independent Expert Consultant ("IEC") Evidence	Monday, December 9, 2019
Information Requests on Intervener and IEC Evidence	Friday, December 13, 2019
Pre-Hearing Conference #2 to Identify Issues for Oral Evidence	Monday, December 16, 2019
Intervener and IEC Responses to Information Requests	Friday, December 20, 2019
Efficiency Manitoba Rebuttal Evidence	Thursday, January 2, 2020
Public Oral Hearing*	Week of January 6, 2020 Week of January 13, 2020 January 20, 24, 27, and 28, 2020

*dates and days of the week to be finalized at PHC #2