



“When You Talk - We Listen!”



MANITOBA PUBLIC UTILITIES BOARD

Re: CENTRA GAS MANITOBA INC'S  
2019/20 GENERAL RATE APPLICATION  
PRE-HEARING CONFERENCE

Before Board Panel:

Larry King, Q.C. - Panel Chair  
Marilyn Kapitany - Vice-Chair  
Michael Watson - Board Member  
Carol Hainsworth - Board Member  
(By teleconference)

HELD AT:

Public Utilities Board  
400, 330 Portage Avenue  
Winnipeg, Manitoba  
January 24th, 2019

1

APPEARANCES

2 Bob Peters ) Board Counsel

3 Dayna Steinfeld (np) )

4

5 Jessica Carvell ) Centra Gas Manitoba

6 Marla Boyd )

7

8 Brian Meronek, Q.C. ) Consumers

9 Jeremy McKay ) Association of

10 (Student-at-law) ) Canada (Manitoba)

11 ) Inc.

12

13 Rosemary Stevens (by phone) ) TransCanada

14 Lisa Jamieson (by phone) ) Pipelines Limited

15

16 Antoine Hacault ) Industrial Gas

17 ) Users

18

19 Victor Diduch ) Unifor Local 681

20 Suzanne King )

21

22 Kim Johnston (by phone) ) BP Canada Energy

23 ) Group, ULC

24

25 Brian Rickers (by phone) ) Bunge Canada



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| 3  | PUB-1            | PUB letter to all parties re:        |
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| 10 | CENTRA-1         | Letter dated November 30, 2018 -     |
| 11 |                  | Centra Gas 2019-2020 General Rate    |
| 12 |                  | Application filing.                  |
| 13 | CENTRA-2         | Centra Gas Manitoba Inc. 2019-2020   |
| 14 |                  | General Rate Application.            |
| 15 | CENTRA-3         | Centra letter to PUB re: Correction  |
| 16 |                  | to Appendix 3.2 - December 7, 2018   |
| 17 | CENTRA-4         | Centra 2019-2020 General Rate        |
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| 24 |                  | to Information Requests - December   |
| 25 |                  | 12, 2018.                            |

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1 --- Upon commencing at 9:05 a.m.

2

3 OPENING COMMENTS BY PANEL CHAIR:

4 THE CHAIRPERSON: Good morning,  
5 everyone and welcome to the Public Utilities Board's  
6 pre-hearing conference for Centra Gas Manitoba Inc.'s  
7 2019/20 General Rate application.

8 My name is Larry King and I will be the  
9 Chair of the Board's hearing panel for this General  
10 Rate Application by Centra Gas Manitoba Inc. With me  
11 are Board members Marilyn Kapitany and Michael Watson  
12 and with us by teleconference, Carol Hainsworth.

13 The bios of each are available on the  
14 Board's -- Board's web page. The Board is assisted in  
15 this hearing by associate secretary Rachel McMillin  
16 and judicial hearing assistant Kristen Schubert. Bob  
17 Peters will act as Board counsel. As in prior  
18 hearings, the Board is also assisted by technical  
19 advisors from Ryall Engineering Limited and Cathcart  
20 Advisors Inc.

21 On behalf of the Panel, I would like to  
22 welcome Centra Gas Manitoba Inc. and the prospective  
23 Intervenors. At this time and on behalf of all in  
24 attendance, the Board would like to acknowledge that  
25 the Treaty I lands on which we now gather for this

1 Hearing, and the Treaty 2, 3, 4 and 5 lands included  
2 in Centra's and its parent company's service  
3 territories, are the traditional territories of the  
4 Anishinaabe Cree, Oji-Cree, Dakota and Dene peoples,  
5 as well as the homeland of the Metis Nation.

6                   This pre-hearing conference for Centra  
7 Gas 2019/20 fiscal year General Rate Application is  
8 scheduled until noon today with time -- if that time  
9 is required.

10                   The Public Utilities Board's mandate is  
11 to set just and reasonable rates that are in the  
12 public interest. The public interest has been defined  
13 by the Manitoba Court of Appeal as balancing the  
14 impacts of rate increase -- increases on consumers  
15 with the fiscal health of the Utility.

16                   In order to set just and reasonable  
17 rates that are in the public interest, the Board will  
18 need to hear and consider all of the evidence that is  
19 adduced on the record of this proceeding and hear  
20 submissions from Centra Gas and all approved  
21 intervenors.

22                   On November 30th, 2018 Centra filed its  
23 2019/20 General Rate Application, which does not seek  
24 a general revenue increase as part of its application.

25                   On December 14, 2018, pursuant to the



1 process established by the Board, the Board issued a  
2 declaration of completion, declaring that the filing  
3 included all routine standard and/or base information  
4 as determined on a review conducted by Board staff and  
5 advisors.

6 Both Centra and approved Intervenors  
7 are to assist this Panel in understanding the issues  
8 and options that relate to Centra's General Rate  
9 Application.

10 That leads me to the main purpose of  
11 this pre-hearing conference, which are:

12 a) To identify and approve appropriate  
13 Intervenors.

14 b) To identify which issues are  
15 included in the scope of this public hearing process;  
16 and

17 c) To finalize a timetable for the  
18 orderly exchange of evidence and the conduct of the  
19 public hearing.

20 At this time, the Board has received  
21 ten (10) written applications for Intervenor status  
22 from the following parties: BP Canada Energy Group  
23 ULC; Bunge Canada; Consumers Association of Canada  
24 (Manitoba) Inc.; Koch Fertilizer Canada, ULC;  
25 Industrial Gas Users; McCain Foods (Canada);

1 Richardson International Limited; Simplot Canada (II)  
2 Limited; TransCanada Pipelines Limited; Unifor Local  
3 681.

4                   While this pre-hearing conference needs  
5 to be conducted in an orderly and efficient manner,  
6 please remember that these proceedings are to be  
7 informal, even if the technology makes it appear  
8 otherwise.

9                   The Board will hear from all proposed  
10 Intervenors seeking to be involved in this hearing,  
11 and we may have questions of you to help our  
12 understanding of your requests for Intervenor standing  
13 and your position as to the scope of the hearing and  
14 the process for the review of the rate application.

15                   Before I call on Board counsel, the  
16 Panel has specific requests of the parties.

17                   a) The Board welcomes public  
18 participation, and there are several ways for the  
19 public to participate and to communicate with the  
20 Board. At one (1) end of the spectrum Intervenors  
21 representing a significant number of ratepayers may be  
22 approved and if so, are expected to actively  
23 participate throughout the hearing process.

24                   At the end -- other end of the public  
25 participation spectrum, individuals or groups may have

1 written comments to be submitted to the Board on the  
2 Board's website. Where consent has been provided, the  
3 website comments will be filed as an exhibit in the  
4 proceeding with the identifying information for the  
5 individual or group who submitted the comment.

6 Another method of communicating  
7 comments to the Board would be by attending before the  
8 Board to provide an oral presentation at a date and  
9 time to be scheduled by the Board.

10 b) All parties and their  
11 representatives, and consultants, should be aware that  
12 the Board intends to live stream any oral public  
13 hearing proceedings through a link accessible on the  
14 Board's website.

15 c) The process for Intervenor cost  
16 applications and awards that will be followed by the  
17 Board is set out in the Intervenor cost policy posted  
18 on the Board's website for the Centra 2019/20 GRA.

19 All parties should review and be  
20 familiar with the Intervenor costs policy as  
21 applications for costs submitted that are incomplete  
22 or not in compliance with the requirements prescribed  
23 in the Intervenor Costs Policy will be returned to the  
24 Intervenor.

25 d) The Board appreciates that potential

1 Intervenor, which will be seeking cost awards, have  
2 not at this time provided detailed cost estimates as  
3 the approval of Intervenor status and approval of the  
4 issues for each of the Intervenor have not been  
5 given.

6                   After the Board has issued its  
7 procedural Order approving Intervenor status and  
8 issues, approved Intervenor will be required to file  
9 their detailed cost estimates. The date for filing  
10 will be discussed when we talk about the schedule at  
11 today's pre-hearing conference.

12                   e) When it comes time to file detailed  
13 cost estimates, approved Intervenor are to use the  
14 fillable Excel spreadsheet available on the Board's  
15 website. This information has been previously  
16 circulated to past Intervenor. Cost estimates will  
17 be reviewed by Board staff for completeness and  
18 compliance with the Board's Rules and the Intervenor  
19 Costs Policy.

20                   f) The filing of Intervenor cost  
21 estimates does not guarantee or disqualify an  
22 Intervenor from eligibility for a cost award. Any  
23 comments provided by Board staff on Intervenor cost  
24 estimates are not binding on the Intervenor or the  
25 Board. All cost towards, whether in advance of funds

1 or a final cost award, are in the sole discretion of  
2 the Board and all applications for costs awards will  
3 be considered by the Board in accordance with the  
4 criteria set out in Section 3 of the Intervenor Costs  
5 Policy.

6 g) Should any approved Intervenor  
7 seeking an award of costs determine that there will be  
8 a material difference or deviation in the amount of  
9 the Intervenor's costs application from the costs  
10 estimate and/or scope of the Intervenor's  
11 participation in the proceeding, the Intervenor is to  
12 notify the Board forthwith. Unless there are  
13 exceptional circumstances, Intervenor's will not be  
14 approved for such cost increases -- increases without  
15 the required prior written notification to the Board.

16 h) Expert witnesses will no longer need  
17 to be qualified when introduced, although it will be  
18 helpful for counsel to explain the area of expertise  
19 for which the witness's appearing.

20 Expert witnesses can still be cross-  
21 examined during oral testimony as to their  
22 qualifications and expertise. The Board will  
23 determine what weight, if any, to attach to each  
24 expert's testimony.

25 I) Likewise, members of the public who

1 appear before the Board as presenters will be afforded  
2 the opportunity to testify as to the facts of their  
3 specific circumstances and issues related to the GRA.

4 The Board will determine what eight --  
5 what weight, if any, to attach to the presentations  
6 from members of the public.

7 j) Perhaps another comment directed to  
8 Centra Gas, and that is, when there is an appropriate  
9 time for you to be on the microphone this morning, to  
10 provide the Board for all parties with a brief  
11 overview of the balancing fee issue that emanated from  
12 Centra's terms and conditions of service.

13 We make the request of Centra as it  
14 appears from the written Intervenor applications that  
15 over half of the prospective Intervenors are wanting  
16 to intervene on that issue; and lastly,

17 k) Another request of Centra. When it  
18 is your turn to present, please inform the Board and  
19 parties as to what is planned for your natural gas  
20 customers and the customer bill impacts on and after  
21 April 1st, 2019, when the Government of Canada  
22 introduces carbon charges in Manitoba for natural gas  
23 consumption.

24 At this time, I'd like to turn the  
25 microphone over to Board counsel to discuss the

1 procedure for today. Mr. Peters...?

2 MR. BOB PETERS: Thank you. Good  
3 morning, Panel Chair Ring, Board Vice-Chair Kapitany,  
4 Board member Watson and via teleconference Board  
5 member Hainsworth.

6 I will indicate to parties to -- in  
7 this room to speak slowly and clearly, as well as  
8 close to the microphone so that those who are  
9 listening on the conference line have better  
10 reception. And I will wish good morning to all  
11 counsel and ladies and gentlemen present in the  
12 hearing room, as well as those on the conference line,  
13 as well as those members of the public who are viewing  
14 this pre-hearing conference on the live stream.

15 I -- I would also want to give a  
16 special welcome to new legal counsel, Ms. Carvell and  
17 Mr. McKay who are both participating in their first  
18 proceedings before this Board.

19 For the record, my name is Bob Peters  
20 and together with my colleague Dayna Steinfeld, we are  
21 counsel to the Public Utilities Board on this 2019/20  
22 Centra Gas General Rate Application.

23 Also assisting the Board in this  
24 General Rate Application is Roger Cathcart and Curtis  
25 Batten of the Board's accounting advisor Cathcart

1 Advisors Inc. and Brady Ryall and David Bonon  
2 (phonetic) of Ryall Engineering Limited, the Board's  
3 engineering advisor.

4 Board members, earlier this week  
5 counsel took the liberty of circulating a draft  
6 outline of procedures for today's pre-hearing  
7 conference and I am proposing to follow it to lead the  
8 Board through it today. I do have some extra paper  
9 copies if anybody wants it, but more expedient than  
10 that, is Ms. Schubert has a copy of it on the monitors  
11 in front of us today.

12 As noted by the Panel Chair, one (1) of  
13 the purposes of this pre-hearing conference is to  
14 allow the interested parties to apply for Intervenor  
15 status and as also noted by the Panel Chair ten (10)  
16 written applications for Intervenor status have been  
17 filed with the Board. Those applying for Intervenor  
18 status have been invited to attend today's pre-hearing  
19 conference in person, over the conference call  
20 telephone line or via video link that Ms. Schubert was  
21 prepared to arrange and, alternatively, parties can  
22 rely on their written Intervenor applications as they  
23 have already submitted to the Board.

24 So depending on who is attending today  
25 through the various options, the Board is prepared to



1 hear from the parties and in the outline of  
2 procedures, we're suggesting an order on which we will  
3 call on the parties and we'll use the order as -- as  
4 the attendance record.

5                   It's a little different, Mr. Chair,  
6 than what you had used alphabetically, but we wanted  
7 to start with at least a party who had some prior  
8 experience before the Board. As you've indicated,  
9 many parties are attending here on a balancing fee  
10 issue and we have also grouped them together.

11                   The second purpose of being here today,  
12 as you've noted, Mr. Chair, is to identify which  
13 issues are included in the scope of this public  
14 hearing process. And we can advise the Board that in  
15 an effort to assist the parties in their preparation  
16 for this pre-hearing conference, Board counsel has  
17 circulated a draft issues list and hearing scope and  
18 we want to stress that this document has not been  
19 adjudicated by the Board, and it certainly is not  
20 binding on the Board or any of the parties, but it was  
21 a list of various issues that have been known to the  
22 parties, and might serve as a handy reference when we  
23 come down to that part of the agenda.

24                   We will suggest that each of the  
25 Intervenor applicants and Centra address the issues

1 that they seek to have included in the scope of this  
2 hearing when they're called on today for their  
3 specific presentations to the Board.

4 In turning to the last matter which was  
5 process and timelines, the Board has asked that today  
6 parties speak to the matter that the Chair noted, and  
7 that was the timeline for the orderly exchange of  
8 evidence and submissions. This will involve  
9 consideration of the process, as well as the related  
10 timelines to be followed by the Intervenors and Centra  
11 for things such as including written information  
12 requests, the filing of expert evidence, oral cross-  
13 examinations and submissions.

14 Board members, I can update the Panel  
15 and also those here and listening, that on the topic  
16 of a hearing timetable, there may be diverse views as  
17 to how Centra's GRA application should proceed. We've  
18 received two (2) draft timetables, one (1) from Centra  
19 and one (1) from the Consumers Association and we will  
20 turn to those again later this morning, but we want to  
21 make parties aware that we have received them, and  
22 they can be a focus of their discussions and their  
23 comments.

24 We'll leave it to the parties to  
25 present their process and timeline proposals and

1 suggestions and, also, if there are any restrictions  
2 in their diaries that they want the Board to be aware  
3 of and perhaps plan around, they should also mention  
4 that.

5                   We remind the parties that in addition  
6 to this General Rate Application by Centra Gas,  
7 Centra's parent company Manitoba Hydro has also filed  
8 a General Rate Application with this Board and the  
9 timetable for that other hearing has already been  
10 established in Appendix B to Board Order 1 of 19 and  
11 it's also shown in the draft schedule -- draft  
12 timetables that have been provided by the parties this  
13 morning that we will also get to.

14                   Mr. Chair, and Board members, before I  
15 conclude our opening comments, all parties should be  
16 reminded that the Board is using the new Intervenor  
17 Cost Policy with the related forms that are on the  
18 Board's website as the chair noted. They're specific  
19 under the tab for Centra Gas's 2019/20 General Rate  
20 Application. Board staff and Board counsel remain  
21 available to assist with any questions of  
22 clarification related to the Intervenor costs.

23                   Parties are aware that only after the  
24 Board approves an Intervenor and approves the issues  
25 for which the Intervenor status is granted that that

1 Intervenor is then to submit a budget using the new  
2 forms if they are seeking an award of costs so there  
3 are no budgets that are due today.

4 In conclusion, Mr. Panel Chair, we  
5 suggest that the Board call on the parties in the  
6 order listed in the outline of proceedings and hear  
7 their brief introductions, which will then be followed  
8 by perhaps a also brief presentation from Centra Gas,  
9 as well as the presentations of the Intervenor  
10 application forms by the parties.

11 I'd be pleased to lead that discussion  
12 and try to keep us orderly and on task. If there are  
13 any questions that the Panel has throughout this pre-  
14 hearing conference, or any other parties, please don't  
15 hesitate to advise and request and Board counsel would  
16 be pleased to assist.

17 So thank you, Mr. Chair. I would like  
18 to then turn to what I'll call the attendance and  
19 brief introductions, just so we know who is -- who is  
20 with us today. As I've indicated, the Applicant is  
21 Centra Gas and I'll turn the microphone over and  
22 Centra can introduce themselves and the parties at are  
23 with them today.

24 MS. JESSICA CARVELL: Good morning,  
25 Mr. Chair, Vice-chair Kapitany, Board Members Watson

1 and Hainsworth. For the record, my name is Jessica  
2 Carvell and I, along with Mr. Brent Czarnecki, will be  
3 representing Centra Gas in this proceeding.

4                   Sorry, I've been told I was too far  
5 from the mic. Can everyone hear me now? All right,  
6 as I said, my name is Jessica Carvall and I, along  
7 with Brent Czarnecki, will be representing Centra Gas  
8 in -- as legal counsel in this application.  
9 Unfortunately, Mr. Czarnecki was unable to attend with  
10 us today due to a personal matter so I'm joined by my  
11 colleague Marla Boyd.

12                   Also seated next to me this morning is  
13 Ms. Liz Carriere who is the Director of Rates and  
14 Regulatory Affairs. And we also joined by Shannon  
15 Gregorashuk, who is the Regulatory Services Department  
16 Manager and she is seated behind us. Thank you.

17                   MR. BOB PETERS: Yes, thank you, I'll  
18 turn it over to counsel for the Consumers Association  
19 of Canada (Manitoba) Inc. for their introductions.

20                   MR. BRIAN MERONEK: It's been a while  
21 since I've been here, I can't remember how to use  
22 this.

23                   Good morning, Mr. Chairman and Panel  
24 members. My name is Brian Meronek and with me is  
25 Jeremy McKay, who is an articling student in our

1 office. And I'm here representing CAC (Manitoba) Inc.  
2 -- Consumers Association of Manitoba, CAC. Behind me  
3 is the Executive Director, Gloria DeSorcy who's  
4 probably well-known to the Board and also we have two  
5 (2) consultants with us, Darren Rainkie and Kelly  
6 Derksen.

7 And I'll leave it for now until I'm  
8 called upon again to -- to convince the Board as to  
9 why I should be here.

10 MR. BOB PETERS: Yes, thank you. I'll  
11 turn, Mr. Chair, to TransCanada PipeLines Limited and  
12 I understand that Rosemary Stevens is joining us by  
13 the teleconference.

14 Ms. Stevens, are you there?

15 MS. ROSEMARY STEVENS (by phone): Yes,  
16 I am. Thank you. Good morning, Mr. Chair, and Panel  
17 members, my name is Rosemary Stevens, and I am counsel  
18 for TransCanada PipeLines Limited. I'm speaking today  
19 in place of my colleague Mr. Matthew Ducharme who was  
20 unable to attend but he is our -- our counsel of  
21 record on our -- our Intervenor application form.

22 Also, here with me is Ms. Lisa Jamieson  
23 of TransCanada and we very much appreciate the Board  
24 and Board staff for facilitating our participation  
25 from Calgary today. Thank you.

1                   MR. BOB PETERS:    Yes and thank you.  I  
2 will turn, Mr. Chair, to Unifor Local 681 and allow  
3 them to introduce themselves this morning, please.

4                   MS. SUZANNE KING:    Good morning, Mr.  
5 Chair and Panel members.  My name is Suzanne King.  
6 I'm the President of Local 681 for Unifor and with me  
7 is Victor Diduch, vice-president.  It is our first  
8 time being here so I'll ask the Board to bear with me,  
9 if we are not up to speed on everything we should be  
10 doing, although the Union has interfered before, it's  
11 both of our first times.

12                   We are the Union that represents all  
13 natural gas workers in the province of Manitoba and  
14 the support staff for those workers.

15                   MR. BOB PETERS:    Thank you.  I'll turn  
16 it over to counsel for the Industrial Gas Users,  
17 please.

18                   MR. ANTOINE HACAULT:    Good morning,  
19 Mr. Chair and Board members.  My name, for the record,  
20 is Antoine Hacault and here with me today is Patrick  
21 Bowman of Intergroup to my left, and I'm here today  
22 representing Industrial Gas Users, specifically, Maple  
23 Leaf Foods, Gerdau Long Steel North America, Koch  
24 Fertilizer Canada, and Simplot Canada (II) Limited.

25                   I might note, however, that there is in

1 person presence of representatives of Koch here today  
2 and they'll be addressing you also.

3 MR. BOB PETERS: Thank you.

4 MR. ANTOINE HACAULT: I believe  
5 Simplot's on the phone also based on the list.

6 MR. BOB PETERS: Yes, thank you M.  
7 Hacault. I will stay in the same order and call on BP  
8 Canada Energy Group, ULC and I believe Kim Johnston  
9 has joined us and is on the line.

10 Are you there, please?

11 MS. KIM JOHNSTON (by phone): Good  
12 morning, Mr. Chair and Panel members. It's Kim  
13 Johnston and I will be representing BP Canada. Thank  
14 you for facilitating our tele-presence here today.

15 MR. BOB PETERS: Thank you. I will  
16 turn to Bunge Canada. I'm not sure if we did get a  
17 connection with Brian Rickers.

18 But, Mr. Rickers, are you on the line?

19 MR. BRIAN RICKERS (by phone): Yes,  
20 I'm on the line. Thank you. I will be speaking.  
21 Lori Kutilek is our legal counsel. She will not be  
22 speaking today. Thank you

23 MR. BOB PETERS: Yes and thank you. I  
24 will turn to Koch Fertilizers Canada, ULC and I know  
25 they are present in the hearing room and call on them



1 at this time for their introductions, please.

2 MR. PAUL LIDDLE: Thank you. Mr. Chair  
3 and Panel, good morning. I'm Paul Liddle. I'm the  
4 plant manager at Koch Fertilizer in Brandon. I'm here  
5 with Skyler Dueck, our financial leader and I  
6 appreciate the opportunity to speak here and -- and be  
7 represented.

8 MR. BOB PETERS: Thank you. I will  
9 turn next on the list to McCain Foods (Canada) and ask  
10 if Eric Durand is on the conference line?

11 MS. DARYL HYDE: Eric is not on the  
12 line right now. He had something come up and couldn't  
13 make it. My name is Daryl Hyde, I'm on the call on  
14 behalf of McCain (Canada). Thank you for having me.

15 MR. BOB PETERS: Thank you. Was that  
16 Carol Hyde? Have I said that correctly, madam?

17 MS. DARYL HYDE: Daryl with a 'D'.

18 MR. BOB PETERS: Could you please  
19 spell your name only because I'm the one who's having  
20 trouble with that Ms. Hyde?

21 MS. DARYL HYDE: Yep. D, as in dog,  
22 A-R-Y-L.

23 MR. BOB PETERS: Thank you very much.  
24 I will turn next on the list. We have Richardson  
25 International Limited and I can advise the panel and

1 those in attendance that we've received communication  
2 that Richardson's International Limited will be  
3 relying on the written submission that they have  
4 provided the Board and ask the Board to adjudicate  
5 their position based on that written application.

6 And then lastly on the list, and as  
7 indicated also perhaps by Mr. Hacault, Simplot Canada  
8 (II) Limited is represented and is on the conference  
9 line.

10 Are you there, Mr. Sturtevant?

11 MR. DON STURTEVANT (by phone): Yes,  
12 good morning and thank you, Mr. Chair, and Board  
13 members for hearing are side of this story, please.

14 We will be attending for Simplot Canada  
15 (II). I'm a procurement category leader here down in  
16 the Stakes and we may or may not potentially join the  
17 Industrial Gas Users. As we dive into this  
18 proceeding, we will make that determination going  
19 forward. Thank you.

20 MR. BOB PETERS: All right and thank  
21 you, sir. Panel Chair and Board members, if there are  
22 any introductory questions you have at this time, it  
23 would be an appropriate time to ask of the parties,  
24 but if not, I'm going to turn and keep working through  
25 the proceedings.

1 All right. I will -- I will proceed  
2 and I'll turn back to Ms. Carvell and ask if, on  
3 behalf of Centra Gas, she or her colleagues could  
4 provide a brief presentation of Centra's presence here  
5 today and, perhaps, there were a couple of questions  
6 from the Chair that -- if you made a note of them, you  
7 could address as well.

8

9 PRESENTATION BY CENTRA GAS MANITOBA INC:

10 MS. JESSICA CARVELL: Thank you. I  
11 intend to keep my remarks brief and I'd like to start  
12 by responding to the Chairman's request for  
13 information.

14 So I will start with the T-Service or  
15 balancing fee issue. At a high level the issues  
16 surrounding the proposed balancing fees relates to  
17 Centra's obligation to TransCanada PipeLines to ensure  
18 that the volume of gas delivered is balanced with the  
19 volume of gas consumed. And the balance of these two  
20 (2) volumes must remain within a very strict  
21 tolerance.

22 And the reason for this requirement is  
23 to protect the integrity and reliability of the  
24 pipeline and to ensure that customers needs downstream  
25 of Centra's delivery areas can be met.

1                   TransCanada PipeLines imposes fees  
2 known as balancing fees when there are imbalances  
3 beyond that permitted tolerance. Within each delivery  
4 area on its pipeline, TransCanada defines one (1)  
5 entity which is typically the local distribution  
6 company to manage the balance within that specific  
7 delivery area, including imbalances caused by  
8 transportation service or T-Service customers.

9                   Within the delivery area for Manitoba  
10 customers, Centra is that entity that is designated to  
11 bear responsibility to ensure that the delivery area  
12 are balanced overall.

13                   The nature of T-Service customers is  
14 that the customer contracts for their own upstream  
15 supply and transportation arrangements. However,  
16 their balancing performance impacts upon Centra.

17                   The current terms and conditions for  
18 service require T-Service customers to balance their  
19 accounts on a daily basis by ensuring that the volume  
20 of gas delivered is equal to the volume of gas  
21 consumed. However, some of Centra's T-Service  
22 customers have been unable or unwilling to meet that  
23 obligation, in part, because at present there's no  
24 financial incentive for them to do so.

25                   Other natural gas ratepayers suffer

1 direct costs as a result of the imbalance caused by T-  
2 Service customers. Those costs are in the form of  
3 balancing fees, which Centra pays to TransCanada.

4           Sale service customers are also bearing  
5 indirect costs in the form of foregone capacity  
6 management revenue and a reduced tolerance available  
7 to balance the remainder of Centra's delivery area.

8           Centra has proposed to incentivize its  
9 T-Service customers to meet their existing obligation  
10 to balance their deliveries and consumption by using  
11 the same balancing fee formula as TransCanada.

12           However, Centra's proposal is to cut  
13 these fee levels in half to mitigate the financial  
14 consequences for T-Service customers as they  
15 transition to this new norm.

16           Centra's objective in introducing this  
17 fee formula is to incentivize improvement in the  
18 balancing performance of its T-Service customers and  
19 to address the inherent unfairness of this current  
20 status quo.

21           That's a high-level overview of the  
22 proposed balancing fees. I apologize, key staff were  
23 not available to attend today, so if you require any  
24 further clarification on this topic, or have specific  
25 questions, we will be able to provide a written

1 response as soon as possible.

2           Seeing no specific questions, I'll move  
3 on to the -- the issue of the carbon charge. And as  
4 Board members and people in the room today may be  
5 aware, the federal government enacted the Greenhouse  
6 Gas Pollution Pricing Act in June of last year. And  
7 one (1) aspect of that legislation requires the  
8 implementation of a charge on fossil fuel consumption,  
9 which I'll refer to as the carbon charge.

10           In the fall of last year, the federal  
11 government indicated that Manitoba would be designated  
12 as a federal backstop jurisdiction, and as a result of  
13 that designation, the carbon charge must be paid by  
14 fossil fuel distributors in this Province beginning  
15 April 1st of this year. The carbon charge,  
16 unmarketable natural gas in Manitoba for the period of  
17 April 1st, 2019, to March 31st, 2020, will be 3.91  
18 cents per cubic metre. That price will escalate over  
19 time, as set out in the Greenhouse Gas Pollution  
20 Pricing Act.

21           Centra's legal obligation as a fuel  
22 distributor is to remit the carbon charge to the  
23 Canada Revenue Agency. The Corporation has sought the  
24 PUB's concurrence to implement the federal carbon  
25 charge effective April 1st of this year. That request

1 is not part of the relief that's being sought in this  
2 General Rate Application, but was made by letter dated  
3 January 16th, 2019.

4           That letter provides additional  
5 information about the implementation and Centra's  
6 Customer Communication Plan. In a nutshell, Centra  
7 has proposed to pass through the carbon charge  
8 directly to its customers based upon their  
9 consumption. The charge will appear on customer's  
10 bills as a separate lit -- line item within the tax  
11 section of the bill. The anticipated annual bill  
12 impact in the first year for the average residential  
13 customer will be approximately \$88.

14           The impact upon customers will be  
15 mitigated to some degree by the federal government's  
16 proposed climate action incentive payment. And I  
17 understand that for the average Manitoba household,  
18 that payment will be approximately three hundred and  
19 thirty-six dollars (\$336).

20           I hope that provides the Board with a  
21 sufficient overview of the carbon charge, but I'm  
22 happy to answer any further questions you may have.

23           THE PANEL CHAIR: Carol, any  
24 questions?

25           BOARD MEMBER HAINSWORTH (by phone):

1 No, I don't have any questions. Thank you.

2 THE PANEL CHAIR: Thank you.

3 MS. JESSICA CARVELL: All right. I  
4 just have two (2) other housekeeping matters. We have  
5 provided the Board secretary this morning with an  
6 affidavit of service and publication which indicates  
7 that the public notice of this proceeding has gone  
8 out, and I would ask that that affidavit be marked as  
9 an exhibit.

10 THE PANEL CHAIR: And will that be  
11 Exhibit 1 -- 8? Done.

12

13 --- EXHIBIT NO. CENTRA-8: Affidavit of publication  
14 re Public Notice - January  
15 24, 2019

16

17 MS. JESSICA CARVELL: Thank you.  
18 Finally, Centra circulated a letter yesterday which  
19 outlined the Corporation's position on Intervenor  
20 applications, the -- the issues and scope, and the  
21 process. I would ask that that letter also be marked  
22 as an exhibit.

23 THE PANEL CHAIR: Nine (sic).

24 MS. RACHEL MCMILLIN: It's Exhibit 7.

25 THE PANEL CHAIR: Seven. I was close.



1

2 --- EXHIBIT NO. CENTRA-7: Centra Letter to PUB re:  
3 Pre-Hearing Conference -  
4 January 24, 2019 - January  
5 23, 2019

6

7 MS. JESSICA CARVELL: Those are all my  
8 comments right now, unless there any questions.

9 MR. BOB PETERS: All right. Thank you,  
10 Ms. Carvell. I would indicate I have a couple of  
11 extra copies of that letter of yesterday, if parties  
12 didn't get it or don't have it, but as Ms. Carvell  
13 indicated, it was a letter from Centra providing  
14 Centra's written position on the Intervenors, and that  
15 is also the letter that provided Centra's position on  
16 which issues are in scope, and lastly, also attached a  
17 draft timetable, both of which we will get to shortly.

18 But at this time, sticking with the  
19 outline of procedures, Mr. Chair, I would like to turn  
20 to counsel for the Consumers' Association of Canada  
21 (Manitoba) Inc. for their presentation related to  
22 their application to intervene.

23

24 PRESENTATION BY CAC (MANITOBA) INC.:

25 MR. BRIAN MERONEK: Thank you. Mr.

1 Peters invited us in the letter to be brief, and then  
2 this morning, he said, Speak slowly. So I don't how  
3 you square those two (2) things, but I'll try my best.

4           We have submitted an Intervenor  
5 application form which is fairly complete, I think. I  
6 have one (1) observation. In some of the blanks, you  
7 don't give us much room, so it's like reading a -- a  
8 car rental agreement, but if anybody has any  
9 difficulty in reading it, let me know.

10           Consumers' Association of Canada, in my  
11 experience, has been before the Board on each and  
12 every GRA application since at least 1998 -- or sorry,  
13 1988, when I was retained. As a matter of fact, we've  
14 been involved in every application, whether it's a  
15 generic hearing, or a cost of gas hearing, or any  
16 other hearing, so we have been consistent through --  
17 consistently appearing before this Board in all its  
18 iterations of panel members.

19           We represent in the order of two  
20 hundred and sixty-six thousand (266,000), give or  
21 take, residential consumers. Essentially,  
22 historically, we been the only Intervenor that has  
23 represented the residential consumers. Historically,  
24 we been the only Intervenor that has participated  
25 fully in these hearings, save and except for generic

1 hearings, and so we have a vital interest  
2 historically, and we will continue to advocate if we  
3 are giving -- given standing, to provide expert  
4 evidence. We fervently believe that expert evidence  
5 is necessary for two (2) reasons:

- 6 1. These topics are extremely complex.
- 7 2. The Board is entitled and the  
8 public is entitled to the benefit of another  
9 perspective in order to make this a -- a transparent,  
10 and -- and fulsome hearing.

11 We are not here necessarily to be  
12 adversarial advocates against Centra. When we see  
13 that Centra has done something appropriately, we  
14 commend Centra. When we have disagreements, we also  
15 indicate where those disagreements are. So we see our  
16 role as more than just adversarial. It's to protect  
17 the interests of the -- this -- the residential  
18 consumers, and to give the Board another perspective  
19 that it might otherwise not have.

20 Now, the Intervention form has a  
21 historical background that was prepared by Gloria  
22 DeSorcy. So it -- it's fairly transparent as to what  
23 -- what the history is.

24 We've also indicated in point form  
25 where we see our role, and that's in Attachment B.

1 And what we've done here is we -- we've taken the  
2 liberty of -- of the draft issues list that was  
3 referenced by Mr. Peters which had initially been  
4 provided a -- a couple months ago, I think in August.  
5 And -- and what we've done is categorized our areas of  
6 involvement in areas where we will be providing  
7 evidence, where we may be providing evidence, and  
8 where we may be testing of the evidence of Centra by  
9 way of cross-examination or argument.

10 We've also indicated as best we can who  
11 will be carrying the torch in terms of presenting  
12 evidence, and that's in Attachment B. And we've also  
13 got the CVs of Mr. Rainkie and Ms. Derksen.

14 Now, we've also indicated that we're in  
15 the process of attempting to engage a -- a gas -- a  
16 cost of gas transportation storage expert. We haven't  
17 engaged anybody at this point in time for the  
18 following reasons:

19 1. Historically, we've always had a --  
20 an expert testify. The expert that we've used  
21 recently has retired. We just negotiated with Centra  
22 before the unredacted version of the application in  
23 the last week or so, so we've just gotten that, so  
24 it's going to be -- take us a -- a bit of time to  
25 engage somebody and get them up to speed. Hopefully

1 we can do that within the next couple of weeks, but we  
2 -- we are very interested in -- in providing somebody  
3 to -- certainly can give us expert consultation and  
4 evidence if necessary.

5                   The next possibility is obtaining the  
6 services of a -- a -- an asset management consultant.  
7 Again, we haven't been able to engage somebody at this  
8 point, but we have -- we have an idea of -- as to who  
9 it is that we want.

10                   In terms of the asset management --  
11 well, we'll speak to that when it comes to the issues  
12 list.

13                   And lastly, we don't know whether or  
14 not a -- any surveys will be required for getting the  
15 -- the temperature of consumers of -- in terms of some  
16 of the issues, but we wanted to alert the Board at the  
17 earliest opportunity that we may attempt to have some  
18 professional surveys done if and -- and when it's  
19 necessary.

20                   At -- at this point in time, Centra, in  
21 its letter that -- that came out yesterday, didn't  
22 exactly say that they endorsed our Intervention or  
23 opposed it, but did say that they had some concerns.  
24 And there were two (2) concerns I want to address.

25                   One (1) is that the -- the admonition

1 by Centra that we appear to have wanted to address all  
2 twenty-four (24) issues that are on the draft issue  
3 list, and were concerned that we would step on Board  
4 advisors' toes.

5                   Quite frankly, it -- I -- I find that a  
6 little bit disconcerting. I never thought that this  
7 was a -- an a la carte menu that you could only pick  
8 so many issues to -- to deal with. We are very  
9 fortunate at this point in time to have consultants  
10 who -- who know the business from 'A' to 'Z', and so  
11 we are in a position -- in the luxury -- the luxurious  
12 position of being able to address all of the issues.

13                   Now, we -- we are very cognizant of  
14 time and proportionality as it relates to some of the  
15 issues being less important than others, and we've are  
16 -- we've articulated that, but to suggest that -- that  
17 there's a concern that we may duplicate what the Board  
18 advisors do, is -- is, I think -- it -- it's a fairly  
19 weak argument for this reason:

20                   1. We've never -- and I can say this  
21 without fear of contradiction -- duplicated what the  
22 Board advisors do. We -- what we do is we look at the  
23 application independently. We receive the Board's  
24 Information Requests. We don't ask the same  
25 Information Requests. Board counsel lead the -- leads

1 the charge in terms of cross-examination, and more  
2 often than not, we strike out a lot of our cross-  
3 examination, because it's already been dealt with. So  
4 to me, that's -- that's a fairly nonexistent concern.

5                   The other one relates to experts. Now,  
6 Centra seems to suggest that we are going to be asking  
7 for five (5) experts. I -- I don't know where that  
8 number comes from. If -- if it's -- if it did --  
9 includes a -- surveys, the -- then I guess that's five  
10 (5), but that's far from certain.

11                   We do have an expert to deal with  
12 revenue requirement. We have an expert to deal with  
13 rate design and cost allocation issues. We hope to  
14 have somebody with respect to gas issues and asset  
15 management. Now all of these experts, if and when  
16 they get lined up, deal with discrete matters.  
17 There's no duplication there. These are the major  
18 issues that will be addressed as separate silos. And  
19 unlike the electric side, where there are many  
20 intervenors of the same ilk, and where there's  
21 doubling up, and -- and an attempt at non-duplication,  
22 historically, we been the only kid on the block, and  
23 so we're the only ones bringing forth this kind of  
24 evidence.

25                   So, whether it's one (1), two (2),

1 three (3), four (4), or ten (10) experts, as long as  
2 they contribute to the process in a -- in a meaningful  
3 and discrete topic basis, that number shouldn't  
4 concern the Board. It's the -- it's the quality of  
5 the Intervention, and it's the -- and it's the topic.  
6 And all the topics that we hope to address require and  
7 hopefully will enable us to have experts to address  
8 those issues.

9                   So those are my comments for the time  
10 being. Thank you.

11                   MR. BOB PETERS: Yes, Mr. Chair. And  
12 for those listening, it's Bob Peters. I was going to  
13 make a comment about what part of brief Mr. Meronek  
14 didn't remember, but I will -- I'll leave that till  
15 later. It is good to see him back in the hearing  
16 room.

17                   Mr. Chair, I would ask, if I could, to  
18 -- Ms. Schubert to just scroll to the bottom of page 3  
19 of 4 of Centra Gas Exhibit 7, which was the letter of  
20 January 23rd that Mr. Meronek referenced.

21                   And, Mr. Chair and Panel members, the  
22 only reason for pausing -- it relates to the  
23 commercially-sensitive information comment made by Mr.  
24 Meronek on behalf of CAC. And I just want all the  
25 other parties to be aware that Centra has put forth



1 its position publicly as to its information. Those  
2 who have reviewed primarily the second volume of  
3 material starting at tab 7 and following in this  
4 filing will note that there are many redactions in the  
5 materials.

6                   Centra is indicating in this letter to  
7 whom they are prepared to expose those redactions and  
8 provide them with that confidential information, and  
9 importantly, Centra also indicates the parties to whom  
10 they would be opposed to providing that confidential  
11 information.

12                   I will just indicate to the other  
13 parties that if they feel they -- they need access to  
14 that information, or are entitled to it, then that  
15 would be the subject of a special request not made  
16 today, but it is one that you could contact Board  
17 counsel, or Centra's counsel, and those discussions  
18 could be held to see whether or not, in Centra's view,  
19 the party qualifies to have access to the  
20 commercially-sensitive information, and recognizing  
21 that regardless of the position, and with respect to  
22 the position that Centra may take, it is this Board  
23 that would adjudicate which parties would have access  
24 to what information and under what circumstances.

25                   And the circumstances that I believe

1 Mr. Meronek alluded to was that there were  
2 nondisclosure agreements signed by his office, as well  
3 as his consultant. So I -- I paused on that. I think  
4 it's a helpful note for everybody.

5 I would like to turn down to the  
6 presentation by TransCanada PipeLines. And I recall,  
7 Ms. Stevens is on the line. And I believe, Ms.  
8 Stevens, this is the first time that TransCanada  
9 PipeLines Limited has applied to intervene in a Centra  
10 Gas case, but please take the microphone and tell us  
11 about your involvement and your proposed involvement,  
12 please.

13

14 PRESENTATION BY TRANSCANADA PIPELINES LIMITED:

15 MS. ROSEMARY STEVENS (by phone):

16 Thank you, Mr. Peters. As stated in our applica -- or  
17 Intervenor application form, TransCanada owns and  
18 operates the mainline gas transition system on which  
19 Centra Gas Manitoba is a shipper and an  
20 interconnecting operator. Therefore, Centra's  
21 contracting and operational decisions affect the  
22 mainline system, including the tolls to be paid by  
23 mainline shippers that are ultimately passed through  
24 to consumers.

25 TransCanada notes that it regularly

1 participates as an Intervenor in proceeding before the  
2 provincial regulators of our other local distribution  
3 company customers and interconnecting operators such  
4 as the Ontario Energy Board, and the Regie de  
5 l'energie.

6                   Our interest in this proceeding is  
7 centered on draft issue number 16 from the draft  
8 issues list, relating to Centra's gas costs, which  
9 includes the cost of transportation and storage on the  
10 mainline. In particular, draft issue 16(4) includes  
11 NEB proceedings relating to TCPL tools and mainline  
12 segmentation. And as you heard from Ms. Carvell this  
13 morning, the -- the T-Service balancing issue is also  
14 related to balancing agreements with TransCanada.

15                   So as such, TransCanada has a unique  
16 viewpoint in the proceeding that is not represented by  
17 any other party. Our participation will ensure that  
18 any information provided in respect of TransCanada's  
19 tolls, tariff, services, regulatory proceedings, or  
20 operations is accurately reflected, so that the Board  
21 has the best information upon which to make its  
22 determinations.

23                   As noted in our Intervenor application  
24 form, TransCanada also has knowledge and understanding  
25 of upstream contracting issues and landed cost

1 analysis. This expertise can also assist the Board in  
2 assessing the extent to which costs incurred by Centra  
3 as a result of upstream arrangements are reasonable  
4 and result in just and reasonable rates for Manitoba  
5 cust -- consumers.

6 In terms of the scope of our  
7 participation, TransCanada is still reviewing Centra's  
8 application, but does expect to have some Information  
9 Requests of Centra and wishes to reserve its right to  
10 file evidence or participate in the hearing process or  
11 final argument, if required.

12 And just on the timetable issue, we  
13 don't have any specific submissions on timetable or  
14 any restrictions to advise the Board of, other than to  
15 request a reasonable amount of time to allow  
16 Intervenor to develop Information Requests and  
17 evidence, if required.

18 Finally, as stated in our Intervenor  
19 Application Form, TransCanada is not seeking a cost  
20 award for its participation.

21 So with that, I would be happy to  
22 respond to any questions of the Board or Centra or  
23 other Intervenor regarding our request for Intervenor  
24 status.

25 MR. BOB PETERS: All right. Ms.

1 Stevens, seeing no questions from the Board, thank you  
2 for your presentation of materials.

3 I would turn next to the presentation  
4 by Unifor Local 681 and ask them to present their  
5 materials.

6

7 PRESENTATION BY UNIFOR LOCAL 681:

8 MS. SUZANNE KING: Good morning again.

9 I think I'll start by saying that I -- I think the  
10 purpose of the uni -- the union here on our Local is  
11 to represent our -- our members who do the work, and  
12 how changes that -- to that work could potentially  
13 have financial and safety impacts, not only to our  
14 members, but our customers and the general public.

15 The majority of our questions and  
16 concerns and requests for informations will be  
17 centered around the customer equipment program  
18 protection -- prob -- problem protect -- program,  
19 which we used to call burner tip. I'm not sure why  
20 the name change.

21 And we hope that if we can and if we  
22 are given Intervenor status, that our request for  
23 intervention will show a deliberate erosion of this  
24 program that can and will have a large financial  
25 impact on some of our customers and could potentially

1 lead to safety issues for not only our customers, but  
2 for the public.

3                   Other than that, we have some very  
4 simple questions again relating to charges to our  
5 customers, which we feel will nega -- negatively  
6 impact their trust in Centra Gas and -- and their  
7 billing in terms of the charge increase for a disputed  
8 meter and the charge for a safety check.

9                   And we would have also a few questions  
10 around the rate-base system versus a cost-of-service  
11 system. Thank you.

12                   MR. BOB PETERS: Thank you, Ms. King.

13                   Seeing no questions from the Panel and  
14 not hearing any from Ms. Hainsworth, we will turn to  
15 the presentation by the Industrial Gas Users and  
16 included in that request of Mr. Hacault would be to  
17 address the concerns that you have been made aware of  
18 in the letter of January 23rd from Centra.

19                   And perhaps, Mr. Hacault, it's just me,  
20 but I wasn't quite sure in terms of the representation  
21 of your organization relative to some of the other  
22 parties that are applying for Intervenor status.

23                   So if you could just clarify that for  
24 the Panel, I think that would be of assistance.

25

1 PRESENTATION BY INDUSTRIAL POWER USERS:

2 MR. ANTOINE HACAULT: Thank you, Mr.  
3 Peters and members of the Panel, Mr. Chair.

4 Some of you may know me and -- and the  
5 Intergroup Consultants as a result of our  
6 interventions in Hydro hearings.

7 This, I'll call it tentative group  
8 because it's still evolving, arose as a result of some  
9 of those members in the Manitoba Industrial Power  
10 Users Group seeing how their interventions, as a  
11 group, could lead to efficiency, collaboration and  
12 cost reductions and an effective presentation and  
13 analysis of the issues, specifically two (2) companies  
14 which did not make independent applications, but rely  
15 strongly on the fact that they're going to have a  
16 presence, Gerdau, and also Maple Leaf Foods, who were  
17 both part of the Manitoba Industrial Power Users  
18 Group.

19 You will probably note also, if you  
20 look historically, that this General Rate Application  
21 proposes some fairly extreme rate impacts on large  
22 users, mainline firm T-Service cus -- customers,  
23 there's like a 30 percent increases on billed basis  
24 and a 40 percent increase on base rates, and for the  
25 special contract class, the increase is actually over

1 65 percent.

2                   So you -- but for the first time have a  
3 number of industrial users who are ex -- expressing  
4 concerns about what this application is, and those  
5 companies are taking all the reasonable actions they  
6 can take to have their interests represented.

7                   Now that's meant some of them have also  
8 filed, such as Simplot and Koch, independent  
9 applications to ensure that they're not going to be  
10 left aside in any way.

11                   So that, tentatively, the companies  
12 that are on-board in a tentative basis include Maple  
13 Leaf Foods and Gerdau, they for sure want to be  
14 represented. And then we have Koch Fertilizer and  
15 Simplot.

16                   Now, there is other entities that we've  
17 had contact with, and part of the issue is we want to  
18 make sure that the group can work together and  
19 efficiently. We think it can and that's why we're  
20 here. And that as a group they can represent a number  
21 of issues that are common to all of them.

22                   So you will have seen in the letter  
23 from Manitoba Hydro that we -- we would be a  
24 duplicative, is the word they use.

25                   I think that interpreted in the right



1 way would be, we're going to deal with all the common  
2 interests in a collaborative, effective and proper way  
3 to give this Board the information it needs.

4 I can tell you, as we have in Hydro  
5 hearings, I had contacted the Consumers Association in  
6 advance to try and set up a meeting to work  
7 collaboratively with Mr. Meronek and the Consumers  
8 Association. We always do that with Mr. Williams in  
9 Hydro hearings. We collaborate on cross-examinations,  
10 on -- on reports. Ultimately, the consultants'  
11 reports are subject to the tests of this Board, in any  
12 event, if they get reimbursed or not on the  
13 contribution that is made to the hearing.

14 But we fully intend to collaborate with  
15 the Consumers so that there are -- they aren't the  
16 only a one-man show carrying the load.

17 We, in an attempt to put a single face  
18 -- a case to the Board if we are so granted Intervenor  
19 status, will need some more information. One (1) of  
20 the issues is that we have not been fortunate like Mr.  
21 Meronek and the Consumers Association to get the  
22 confidential information. So we're at somewhat a  
23 disadvantage on information basis right now to be able  
24 to comment on some things that we might otherwise be  
25 able to comment on.

1                   The -- I don't know whether it's -- I  
2 should leave this to later on all the issues list, but  
3 we'll identify the issues that we think are common  
4 when we go through that list, and in which we'd have  
5 an interest as a group in participating.

6                   On the issue of substantial interest,  
7 as I said, you have seen that a number of Intervenors  
8 have stopped -- sought status. I believe that's  
9 unusual for a Centra hearing, illustrating the point  
10 that it makes eminent good sense, in my respectful  
11 view, that you have a group that deals with common  
12 interests and kind of a quarterback for that, not just  
13 to say hey group, get along and try to do stuff.

14                   We've been able to show that we  
15 quarterback interests well as a group in Hydro  
16 hearings, and we think we can do it well in this gas  
17 hearing.

18                   As far as member numbers, there's been  
19 four (4) listed so far in our application. We can  
20 tell you that we've had direct contact with other  
21 companies that are listed and have separate Intervenor  
22 applications, as well as others.

23                   And as we do in the Manitoba Industrial  
24 Power Users Group, reach out to make sure that we  
25 consult and get information with people that have

1 common interests, even though they aren't members.

2 We, through the experts, always seek to  
3 provide this Board with evidence-based and principle-  
4 based opinions and recommendations. And we intend to  
5 do that in this -- this hearing.

6 I do note that there are only ten (10)  
7 mainline T-Service customers, based on our count and  
8 looking at the material. And we have a substantial  
9 portion of those that are interested in joining the  
10 group.

11 Now, there's also a question on, well,  
12 how is this group going to determine the scope and  
13 direction of its intervention and provide direction to  
14 its counsel or consultants?

15 We say that's a non-issue. It's not  
16 different than the collaborative group we've put  
17 together for hydroelectric matters. You've got  
18 companies that operate differently, have specific  
19 business operations, but that has not prevented the  
20 Manitoba and Power Industrial Users Group, which is  
21 also an unincorporated informal association, from  
22 providing direction to consultants on what issues need  
23 to be addressed.

24 But remember, again, independent  
25 experts are always to develop their opinions based on

1 the evidence and on their expertise. They're not  
2 spokespersons for a group.

3                   So, if the directive is to deal with  
4 issues, that's all they need to know, and they'll  
5 provide their considered opinion and recommendations  
6 based on the evidence. So that's why I say it's not  
7 an issue, especially for all items that are common and  
8 are well-adapted to being dealt with on a common  
9 interest basis.

10                   Now, I'm looking for some direction  
11 from Mr. Peters. There's also some comments in that  
12 Hydro letter on costs. Should I address those now?

13                   I'm getting a nod.

14                   MR. BOB PETERS: Yes, sir. Yes.

15                   MR. ANTOINE HACAULT: The objections  
16 with respect to a cost award in the letter from  
17 Manitoba Hydro raise two (2) highlighted issues on the  
18 next page, (c), "represented interest beyond their  
19 sole business interest."

20                   Firstly, we say that this, and  
21 understand, based on some of the information sessions,  
22 that the sole business interest would be, for example,  
23 people who are in -- in the gas business, direct  
24 competition.

25                   These companies are in agriculture,

1 fertilizer, or st -- steel. They are not trying to  
2 shape the gas market. They are not gas marketers.  
3 They're not well owners. They do not sell to Centra.  
4 There's no sole business interest that competes with  
5 Centra in -- in that instance.

6           As a group, and I'm repeating myself  
7 somewhat here, the intervention is based on evidence  
8 and on principles. So there's no commercial interest  
9 and on the issue of substantial number, I've dealt  
10 with that, we have a pretty good portion of the group  
11 that's of the ten (10) that's interested. We have  
12 made direct contact with others to try and ensure that  
13 we have that input.

14           Just, again, a reminder that their  
15 interest in the hearing is captive ratepayer. They're  
16 forced to take the service from Centra and they  
17 require the protections that come from public rate  
18 regulation.

19           And as a consumer in that public arena,  
20 I would suggest, much as it was in the Hydro rates,  
21 the Board actually sought to get the small business  
22 group organized by separate counsel, Maitre Monnin.  
23 They didn't have an organization, but it was in the  
24 best interests of the Board to get full information on  
25 consumers, the residential consumers, small to medium

1 size users and the bigger industrial users. It  
2 provides the Board with the complete view of the  
3 public.

4                   And it's my -- my submission that these  
5 costs provisions are intended to ensure that this  
6 Board gets the complete view of the different sectors  
7 that are comprising the public and which it has to  
8 regulate. And that the way we have in Hydro hearings,  
9 and we intend to do it in this hearing, is that we  
10 seek out the substantial number of ratepayers in the  
11 context of a smaller group of industrial users who  
12 have a substantial interest in the outcome because of  
13 the such dramatic rate increases that are being sought  
14 against them.

15                   So I think I've dealt with the (c) and  
16 (d) in those two (2) particular objections. I will  
17 wait to comment on the issue list.

18                   On the commercially sensitive  
19 information, we -- that will probably be coming up  
20 again on the scheduling, because we may not have an  
21 agreement or cooperation. So we may need to bring a  
22 motion in front of this Board to have that issue dealt  
23 with by this Board. And if so, the comments on the  
24 scheduling, essentially, are we'd like to have some  
25 flexibility and time lines that are not really strict.

1 So we have the ability to get that motion, get that  
2 information, to be able to do our proper work on IRs  
3 and et cetera. Thank you.

4 VICE-CHAIR KAPITANY: Thank you,  
5 Maitre Hacault. I do have two (2) questions.

6 The first one is around the members of  
7 your group, and I remain in Mr. Peters' camp in being  
8 somewhat confused, because you've spoken about Gerdau  
9 and Maple Leaf being represented by your organization.  
10 But then Koch and Simplot have separate applications  
11 before this Board.

12 Maybe it will become more clear when  
13 they speak, but I'm still not clear on the difference  
14 between those two (2) groups. That's my first  
15 question.

16 MR. ANTOINE HACAULT: Okay, if I can  
17 answer that first question.

18 The problem is, firstly, the extent of  
19 information that you have to be able to make a  
20 decision. And the people who have to deal with court  
21 proceedings, and being in or out, you may understand  
22 that you have to take a belt-and-suspenders' approach.

23 I, Koch, will make an application to  
24 make sure I'm in the game because I don't want to take  
25 a chance that the group isn't going to get going, is

1 not going to get approved.

2                   They're not inconsistent. We intend to  
3 work as we do with industrial users. So although they  
4 take a very belt-and-suspenders' approach, and they're  
5 entitled to do that, they've -- you know, there's  
6 millions of dollars on the line annually for them,  
7 close to a million dollars on one (1) aspect and about  
8 half a million or six hundred thousand (600,000) on  
9 the other aspect.

10                   So I would take a belt-and-suspenders'  
11 approach if I was them too, until we actually got some  
12 direction from this Board. Thank you.

13                   VICE-CHAIR KAPITANY: Thank you.

14                   My second question, I believe I heard  
15 you say that your proposed members have no commercial  
16 interest in these proceedings, and I wondered if you  
17 could elaborate on that assertion.

18                   MR. ANTOINE HACAULT: I made that  
19 comment because it's my understanding that they're not  
20 directly in competition with Centra Gas. They're not  
21 a markets -- in the market. They're not competing.  
22 They're not -- they don't have an interest that is  
23 directly related to gas.

24                   Every person that appears in front of  
25 you is going to be affected by rates. So, surely, it



1 can't be a test of whether you're affected by rates,  
2 because every residential customer is going to get  
3 affected by rate. Every small and medium sized user  
4 is going to be affected by rates and every large user  
5 is going to be affected by rates. Everybody is going  
6 to be.

7                   So if -- my interpretation of it is if  
8 that was really the criteria as to whether or not  
9 you're going to -- your bill is going to go up or down  
10 nobody would qualify, because everybody's bill is  
11 affected.

12                   BOARD MEMBER KAPITANY:    Thank you,  
13 that's helpful.

14                   THE PANEL CHAIR:     Carol, if you have  
15 questions, just jump in when -- I'm not going to call  
16 on you from time to time, just jump in. Thank you.

17                   BOARD MEMBER HAINSWORTH:   That sounds  
18 good, thank you.

19                   MR. BOB PETERS:     Thank you, Panel  
20 Chair.

21                   M. Hacault, before you get too  
22 comfortable away from the mic, and also to Ms.  
23 Carvell, I heard, and I'm reading between the lines,  
24 about discussions as between the Industrial Gas Users  
25 and the utility in terms of access to the cost of gas,

1 the transportation and all of the redacted materials,  
2 primarily in the second volume of materials.

3 I'm understanding, Mr. Hacault, that  
4 your comments are you need to -- if you are approved  
5 by this Board, then you will be in communication with  
6 the Utility to determine if you can have access to  
7 that information. And if you can, you will wake --  
8 work it out with the Utility, and if you can't, you  
9 will be making a motion back to this Board.

10 Have I summarized that correctly, sir?

11 MR. ANTOINE HACAULT: Yes, you have.  
12 I already have had a preliminary discussion with Mr.  
13 Czarnecki and we're not going to be asking for the  
14 things that we don't need for this group, and there's  
15 probably a good chunk of confidential information we  
16 don't need.

17 So once we know the intervention and  
18 the approved scope of intervention and get more  
19 firmness on -- on the members, I think then Hydro's  
20 (sic) in a better position to assess our request for  
21 the type of confidential information that we're  
22 seeking and how to properly frame any agreement on  
23 confidentiality in that regard.

24 MS. JESSICA CARVELL: I will just add  
25 that I am not privy to the discussions with Mr.

1 Czarnecki and Mr. Hacault.

2 But I would say Centra's position that  
3 -- is that it's premature to comment on that  
4 Intervenor's access to CSI until the Board rules on its  
5 application and the scope of its intervention.

6 MR. BOB PETERS: Thank you, Ms.

7 Carvell and Mr. Hacault.

8 And just for those who aren't quite  
9 familiar with our acronyms, the CSI that Ms. Carvell  
10 referenced is the con -- commercially sensitive  
11 information that the Utility wants to keep off the  
12 public record for the various reasons that they've  
13 given.

14 So with that, I'd like to again thank  
15 the Industrial Gas Users.

16 I'd like to turn on the agenda to a  
17 presentation by BP Canada Energy Group, ULC, and turn  
18 to Ms. Johnston, if she could please speak about that.

19

20 PRESENTATION BY BP CANADA ENERGY GROUP, ULC:

21 MS. KIM JOHNSTON (by phone): Yes. I  
22 just will highlight what we've put in our Intervenor  
23 application form.

24 So BP is intervening because we're  
25 concerned with the proposed revisions to the terms and

1 conditions of service, especially those that relate to  
2 Centra Gas looking to impose financial consequences  
3 for balancing, and also the increase to the volumetric  
4 eligibility threshold for new T-Service customers.

5 BP is interested in helping the Board  
6 understand the proposed -- what -- what impacts the  
7 proposed revisions will have on T-Service customers  
8 and to help the Board achieve a just and reasonable  
9 result.

10 And as far as a schedule goes, we are -  
11 - we are flexible and we have -- we -- we do not  
12 qualify and don't intend to seek award of costs.

13 And I'm happy to answer any questions  
14 you may have.

15 MR. BOB PETERS: Seeing none, thank  
16 you, Ms. Johnston.

17 I will perhaps turn then to Bunge  
18 Canada with any presentation that they would like to  
19 provide at this time.

20

21 (BRIEF PAUSE)

22

23 MR. BOB PETERS: Just ask, is there  
24 someone from Bunge Canada still on the line?

25

1 PRESENTATION BY BUNGE CANADA:

2 MR. BRIAN RICKERS (by phone): Yes,  
3 I'm on the line, sorry, I had to switch headsets  
4 there. I can barely hear on this one.

5 We don't have a presentation, but our  
6 main driver here is just to address the cost structure  
7 that's being put in with the balancing provisions.

8 I want to know if the penalty structure  
9 that Centra is proposing exactly matches what  
10 TransCanada's structure is.

11 MR. BOB PETERS: All right, thank you  
12 and we understand that to be the reason for Bunge  
13 Canada to seek involvement and unless you have any  
14 further comments, I'll -- I'll keep moving.

15 MR. BRIAN RICKERS (by phone): No,  
16 that -- that's it. I mean, I have a few questions  
17 regard -- around that, but that is the main driver or  
18 our main concern right now.

19 MR. BOB PETERS: Yes, and I'll  
20 indicate that at this pre-hearing conference those  
21 questions would be premature and not really the  
22 subject of today. But if you are granted Intervenor -  
23 - if your -- if Bunge Canada is granted Intervenor  
24 status, certainly any and all of those questions that  
25 -- that you have, there would be an opportunity to put

1 them to the Utility in writing and get their responses  
2 and then determine whether you have any further  
3 questions of them, or whether you, and on behalf of  
4 Bunge Canada, wanted to provide any evidence  
5 addressing those matters.

6 So, is that satisfactory?

7 MR. BRIAN RICKERS (by phone): Yes, it  
8 is. Thank you, Panel Chair and Board members.

9 MR. BOB PETERS: Okay. I will turn,  
10 if I can, to Koch Fertilizers Canada and ask them to  
11 present their application as well.

12

13 PRESENTATION BY KOCH FERTILIZER CANADA:

14 MR. PAUL LIDDLE: Good morning again,  
15 I'm Paul Liddle and I wouldn't really call this a  
16 presentation, but perhaps a few words of what our  
17 concerns are and why we'd like to be represented or  
18 have Intervenor status.

19 So just a few words. Koch Fertilizer  
20 Canada is a long-term major employer in the Brandon  
21 area, and it's the only company that's a -- a large  
22 consumer of natural gas to manufacture fertilizer, and  
23 that fertilizer is used in local and -- for local  
24 farmers and for export.

25 So the Centra CGA (sic) proposes to

1 increase rates that will materially impact our  
2 competitive position in the marketplace, which is why  
3 we're here.

4                   In the CGA -- the CRA (sic) sorry,  
5 Centra indicates the rate-setting process is to  
6 establish rates for various customer classes that are  
7 fair, equitable and not unduly discriminatory, and  
8 rates may be considered to be fair and equitable when  
9 they reasonably reflect the costs incurred to provide  
10 the service. So Koch's position is that this GRA  
11 fails to treat Koch fairly.

12                   Centra undertook significant  
13 transmission capital expenditures elsewhere in the  
14 province that were unique in terms of size, of  
15 expenditure, and totally unrelated to Koch's natural  
16 gas service, with the result that Koch's annual basic  
17 charge for billed rates, if the GRA is accepted, would  
18 increase by about 63 percent going forward.

19                   So as a large user of natural gas, Koch  
20 is also facing a significant additional expense  
21 related to differences in gas heating value, and  
22 unaccounted for gas from late 2015 to '18.

23                   So this additional expense, combined  
24 with the annual increase as a result of these  
25 unrelated capital expenditures, who -- will result in

1 a 99 percent increase to Koch's billed rate.

2                   So Koch believes something has changed  
3 in the process of determining the additional expense  
4 related to heating value and unaccounted for gas, and  
5 needs further clarification.

6                   We believe that increasing these costs  
7 retroactively across prior years and then pass them on  
8 to us as one (1) lump sum charge is unfair. At the  
9 very least we don't understand how that works and we  
10 need to -- to be part of the process so we can  
11 understand that.

12                   So, Koch has applied for Intervenor  
13 status on its own and, as you've heard earlier, with -  
14 - with a collective group represented by IGU. Koch  
15 will make every effort to work with IGU, but wishes to  
16 reserve the right to present its position on matters  
17 unique to Koch, given the substantial change in billed  
18 rates proposed by Centra. And I don't know if this is  
19 the belt or the suspender, but we'll take one, you  
20 take the other.

21                   On this basis Koch is requesting  
22 Intervenor status to be granted by the Board.

23                   That's all I have to say. Is there any  
24 questions for me?

25                   MR. BOB PETERS:   Seeing none, Mr.



1 Liddle, thank you for your presentation.

2                   And I could note that Mr. Hacault can  
3 use all the fashion advice you have because his bowtie  
4 I'm not sure matches his shirt today, but let's --  
5 let's leave that aside, sir.

6                   Would be correct, Mr. Liddle, to  
7 understand that the decision on whether to use the  
8 belt or suspenders, to use that vernacular, would be  
9 made once you saw what decisions this Board made in  
10 respect of the application for Intervenor status by  
11 both the industrial gas users and by Koch Fertilizer  
12 Canada?

13                   MR. PAUL LIDDLE: I'm not sure how to  
14 exactly say that. We're still working our way through  
15 the process. And so I don't know how that's -- how  
16 it's really going to look.

17                   As I said, we would do every effort to  
18 work with IGU. I think Antoine said it much better  
19 than I can, so won't repeat that, but I think there's  
20 a lot of -- the credibility in that -- in his -- in  
21 his statements. All it is, since we don't exactly  
22 know how it's going to go, and we don't know all the  
23 complete interests of all the other industrial users,  
24 we don't know how much commonality there is. We hope  
25 there is, and in fact if there is commonality then I'm

1 sure IGU will represent us well

2 But since we don't know that yet,  
3 that's why we need to retain -- we'd like to retain  
4 the right to be represented.

5 MR. BOB PETERS: Thank you for that  
6 answer, sir.

7 I would like to then turn to McCain  
8 Foods (Canada), and Ms. Hyde, if you're still on the  
9 line, if you could provide us with some information  
10 about McCain Foods (Canada)'s application for  
11 intervention.

12 MS. DARYL HYDE (by phone): Thank you.  
13 McCain Foods would not like to make a comment at this  
14 time.

15 MR. BOB PETERS: Thank you.

16

17 (BRIEF PAUSE)

18

19 MR. BOB PETERS: As I've noted, Panel  
20 Chair and Board members, Richardson International  
21 Limited is relying on their written intervention  
22 application and so there will be no further comments  
23 in respect of that at this point in time.

24 And then I'd like to turn to, I suppose  
25 lastly in terms of the intervention applications, to

1 that of Simplot Canada (II) Limited and Mr.  
2 Sturtevant, if you're still on the line, could you  
3 please provide some information to the Panel in  
4 respect of your company's application for  
5 intervention?

6

7 PRESENTATION BY SIMPLOT CANADA (II) LIMITED:

8 MR. DON STURTEVANT (by phone): Yes.

9 Thank you, Mr. Chair and Board members for the  
10 opportunity to apply for Intervenor status. Again, my  
11 name is Don Sturtevant and I serve as a category  
12 leader for Simplot Canada (II) Limited.

13 Simplot operates numerous production  
14 facilities across North America, and as a result, is a  
15 shipper of record on many natural gas transmission and  
16 distribution pipelines.

17 We are familiar with operational  
18 requirements for pipelines to operate safely and their  
19 ability to maintain pipeline account balances within  
20 stated tolerance bands without incurring onerous  
21 imbalance fees.

22 Simplot Canada Limited owns and  
23 operates a large french fry processing plant located  
24 in Portage la Prairie and is currently a Centra Gas  
25 Manitoba Natural Gas T-Service customer.

1                   Simplot employs many hard-working  
2 Canadians to produce arguably the best french fries on  
3 the planet. We support the local economy, provide  
4 good and fair wages and pay taxes, duties and fees,  
5 which help improve the lives for many, both directly  
6 and indirectly.

7                   Recently, in our demonstrated long-term  
8 commitment, Simplot Canada (II) announced and is  
9 currently expanding, nearly doubling, our operation in  
10 Portage. This expansion will have a large and direct  
11 impact on the economy, both during construction and  
12 will hire additional employees going forward for many  
13 decades to come.

14                   Simplot Canada (II) is intervening in  
15 the subject proceeding for two (2) primary reasons.  
16 The first is related to the terms and conditions of  
17 service, specific -- specifically those that  
18 authorized Centra Gas to impose imbalance fees to T-  
19 Service customers under restrictive balancing  
20 tolerance bans.

21                   The second is related to the 2019/20,  
22 general rate applications, specifically the fair and  
23 equitable treatment of all rate classes with respect  
24 to proposed billing rates.

25                   Simplot Canada (II) is concerned that

1 Centra Gas seeks Board approval to impose balancing  
2 fees under very restrict -- restrictive balancing  
3 provisions that cannot be met due to the nature of  
4 operations of the Portage la Prairie facility, or for  
5 more -- most industrial plants for that matter.

6                   Fifty (50) DJs per day is an extremely  
7 tight tolerance and we are unable to operationally  
8 meet this demand on a daily basis. Weather affects  
9 raw potat -- raw potato quality and production  
10 interruptions are just some of the factors that can  
11 swing our natural gas consumption wildly from day to  
12 day.

13                   Centra Gas does not provide the  
14 necessary tools for T-Service customers to manage  
15 their account within their proposed tolerance bans.  
16 Without such tools proposed, imbalance fees are  
17 effectively a toll, a tax, with no ability to avoid or  
18 minimize proposed imbalance fees.

19                   In none of our other twenty-two (22)  
20 utilities that we work with are we required to meet  
21 this tight tolerance. We have tried to work with  
22 Centra for the past year to no avail, and recommended  
23 allowing industrial customers, like ourselves, the  
24 opportunity to pool imbalances.

25                   For example, if Simplot Canada (II) is

1 packed on a particular day, it is likely that other  
2 industrial T-Service customers may be drafting on the  
3 same day. If pooled, our commodity gas broker would  
4 better be able to manage this average for all  
5 involved.

6                   If the Board provides Centra Gas the  
7 right to charge imbalancing fees, Centra Gas must also  
8 be required to provide the necessary tools for T-  
9 Service customers to manage their accounts within  
10 balance. Such mechanisms should include, without  
11 limitation, number 1, the ability of T-Service  
12 customers and agents to transact inventory account  
13 transfers on the Centra Gas system with other T-  
14 Service customers.

15                   And 2, an increase in the proposed  
16 tolerance threshold to a level that is reasonable for  
17 the account holders to manage operationally any  
18 balancing fees that are charged that align with the  
19 actual costs incurred by Centra Gas, as a direct  
20 result of balancing fees charged by TCPL mainline.

21                   Lastly, while Simplot Canada has  
22 intervened intervent -- individually, like Koch and  
23 others, we respectfully request the right to join the  
24 Industrial Gas User intervention at some point during  
25 this proceeding if it meets with our position

1 favourably.

2 We ask to be granted Intervenor status.

3 I thank you for your time. I look forward to  
4 participating further and would gladly entertain any  
5 questions that you may have. Thank you.

6 MR. BOB PETERS: Mr. Sturtevant, it's  
7 Bob Peters, Board counsel. Thank you for that brief  
8 presentation.

9 In terms of questions, it may assist  
10 the Panel if you could just verify that, as you've  
11 indicated, Simplot is a shipper of record on -- I  
12 think you said up to twenty-two (22) different  
13 utilities, and you said besides the balancing fee  
14 issues and problems you have with it, you say the  
15 corollary is that Centra doesn't provide the necessary  
16 tools for customers like Simplot to deal with it, if I  
17 heard correctly.

18 Have I got that right?

19 MR. DON STURTEVANT (by phone): Yes,  
20 that's correct.

21 MR. BOB PETERS: And in terms of the  
22 tools to deal with it, would the Board be correct in  
23 understanding that there are primarily three (3) tools  
24 that Simplot wants this -- wants investigated in this  
25 proceeding, and that was, the inventory account

1 transfer mechanism that you mentioned; you wanted to  
2 look at increasing the actual threshold before there  
3 is a considered imbalance; and thirdly, there was the  
4 pooling amongst other Manitoba T-Service customers.

5 Are those the tools that you spoke of?

6 MR. DON STURTEVANT (by phone): Those  
7 are some of them, but as we get into the conference  
8 more, I would ask that we would have the ability to  
9 both hear what other tools that are proposed and also  
10 come up with other tools as ourselves to come up with  
11 an effective solution.

12 MR. BOB PETERS: All right. Thank you  
13 for that, sir.

14 In turning on the agenda, this is where  
15 we ask Centra for comments and as Ms. Carvell has  
16 indicated, Centra was a little -- preempted that a  
17 little bit with their letter of January 23rd, which  
18 was marked as Centra Exhibit 7 in these proceedings.

19 But I'll turn it back to Ms. Carvell  
20 and ask whether there are any comments heard that  
21 Centra would like to provide their position on that  
22 isn't included in Centra's Exhibit 7.

23 THE PANEL CHAIR: Mr. Peters...?

24 MR. BOB PETERS: Oh, sorry.

25 THE PANEL CHAIR: The schedule doesn't



1 call for a break, but the -- the clock indicates that  
2 it might be appropriate here. Your comment on that?

3 MR. BOB PETERS: This would be an  
4 appropriate time and we can allow Centra to speak to  
5 that and we'll move on with the other aspects after a  
6 short break.

7 THE PANEL CHAIR: Very good.

8 MR. BOB PETERS: Could we tell the  
9 people on the phone how long the Panel would like to  
10 stand down?

11 THE PANEL CHAIR: Yes. We'll  
12 reconvene at ten (10) minutes to the hour.

13 MR. BOB PETERS: Thank you, sir.

14

15 --- Upon recessing at 10:38 a.m.

16 --- Upon resuming at 10:53 a.m.

17

18 MR. BOB PETERS: Thank you, Panel  
19 Chair. It's Board counsel speaking again. To pick it  
20 up where we left off before the break, I did want to  
21 turn to Centra Gas to determine if they had any  
22 additional comments over and above the peremptory  
23 comments that were put in their January 23rd letter to  
24 all the parties which has been marked as Centra  
25 Exhibit 7.

1 Ms. Carvell, please.

2

3 COMMENTS BY CENTRA GAS MANITOBA INC.:

4 MS. JESSICA CARVELL: Thank you. We  
5 have just a few comments and I'll endeavour not to  
6 replicate anything that is in that letter.

7 I will begin with CAC's application and  
8 I'd just like to clarify that my client does not  
9 oppose CAC's intervention's concern. It's concern is  
10 with the large scope of CAC's intervention and that  
11 may be disproportionate to the impact of the relief  
12 being sought and the impact that will have on small  
13 general service residential customers.

14 I can clarify that the reference to  
15 five (5) experts did include the professional survey  
16 providers so if that was unclear, that is where the  
17 number came from.

18 And I'll just draw the Panel's  
19 attention to CAC's application, attachment B, which  
20 identifies three (3) areas in which both Mr. Rainkie  
21 and Ms. Derksen will provide evidence.

22 And my client would ask the CAC to make  
23 reasonable efforts to avoid duplication in its  
24 experts' evidence.

25 With respect to the Industrial Gas

1 Users' comments this morning, I would just like to  
2 clarify that Koch is a commercial counterparty for  
3 Centra. They buy and sell supply to -- to and from  
4 Centra and they engage in asset management  
5 arrangements with Centra.

6 I would also like to clarify some of  
7 the remarks in the letter -- in the letter sent  
8 yesterday. The reference to "Intervenors having  
9 interest beyond their sole business interest" is a  
10 consideration with respect to whether an award should  
11 be made for costs.

12 I don't think that it can be disputed  
13 that the Industrial Gas Users members have a business  
14 and commercial interest in this proceeding. The issue  
15 was not whether that int -- commercial interest is  
16 competing with Centra, it's whether that interest  
17 exists, and whether they represent interest beyond  
18 their sole business interest. Centra's position is  
19 that they do not.

20 I think that's the extent of my remarks  
21 right now.

22 BOARD MEMBER WATSON: Just one (1)  
23 question. Now, what's the relationship with Koch  
24 again with the relation -- could you just repeat that  
25 one more time?

1 MR. DON STURTEVANT (by phone): I'm  
2 sorry, can you speak up a little bit louder. We're  
3 having a hard time hearing you on the phone.

4 BOARD MEMBER WATSON: Yeah, if you can  
5 just repeat what your interests are with Koch  
6 directly.

7 MS. JESSICA CARVELL: I've been  
8 advised that Koch is a commercial counterparty. They  
9 buy and sell gas supply to and from Centra and they  
10 engage in capacity management arrangements with  
11 Centra. I apologize. I cannot provide any further  
12 detail beyond that.

13 MR. BOB PETERS: And, Ms. Carvell, I  
14 don't want to put you more on the spot than Board  
15 Member Watson did, but on that very point, should the  
16 Board understand from that comment that Centra  
17 considers Koch Fertilizer to be a commercial  
18 counterparty as saying that Centra would be opposed to  
19 have -- to allowing Koch to have access to any of the  
20 commercially-sensitive information, or are you not  
21 able at this time to address that?

22 MS. JESSICA CARVELL: That is correct,  
23 that the competing commercial interest does bear --  
24 excuse me, does have some effect with respect to the  
25 commercially-sensitive information that would be

1 released to them.

2 My comment also was just to -- in  
3 response to what Mr. Hacault said that there was no  
4 commercial interest.

5 MR. BOB PETERS: All right, I'll --  
6 I'll conclude on this basis, though, that I think the  
7 Panel has heard that Koch Fertilizer Canada, ULC is  
8 considering -- and again, it was Mr. Hacault who  
9 raised it, the belt-and-suspenders' approach.

10 But if Koch Fertilizer Canada, ULC was  
11 involved in the Industrial Gas Users group, would that  
12 cause Centra to oppose access to some or all of the  
13 confidential information or are you not in a position  
14 at this time to determine that?

15 MS. JESSICA CARVELL: I'm not in a  
16 position to comment on that at this point.

17 MR. BOB PETERS: All right. So that  
18 would be a matter that there would have to be further  
19 discussions amongst Centra, the Industrial Gas Users  
20 and Koch Fertilizer Canada pending the results of the  
21 Board's determination.

22 Would that be correct?

23 MS. JESSICA CARVELL: Yes, that's a  
24 assessment.

25 MR. BOB PETERS: Okay. Thank you.

1 Thank you very much for that.

2

3 (BRIEF PAUSE)

4

5 DISCUSSION:

6 MR. BOB PETERS: Unless Board Member  
7 Watson had any follow-up on that, seeing none, I will  
8 turn then, with the Board's permission, to the next  
9 item on the agenda which is the detailed review of the  
10 proposed issues list.

11 Some of the parties have already spoken  
12 to it, and starting off, Centra in their January 23rd  
13 letter made it clear as to Centra's position as to  
14 what should be in scope and out of scope and,  
15 likewise, we've heard from some of the parties but I  
16 do believe that the Consumers Association of Canada  
17 and also the Industrial Gas Users wanted to speak  
18 further to the issues and this would be an opportune  
19 time to do that.

20 Starting with Mr. Meronek, please.

21 MR. BRIAN MERONEK: Thank you, Mr.  
22 Peters. Mr. Peters has prefaced on many occasions  
23 that this is a draft but to me it's a -- it's one that  
24 should be endorsed for several reasons.

25 One is, this a template of issues that

1 have been extant throughout the history of -- of  
2 Centra. This is -- these are not issues that are  
3 creative or new. So, they've been dealt with  
4 consistently in the past and they should be --  
5 continue to be dealt with in the future and in this  
6 present application.

7                   We think the list is appropriate and  
8 Centra has kindly identified its position, which I  
9 think is quite helpful. So I want to go to -- to  
10 Centra's draft preliminary issues list. It's -- it's  
11 clear that in the -- that, in essence, Centra is  
12 subscribing to this issue list as being essentially in  
13 scope. There are a couple -- a few areas where the  
14 issue of limited testing has been advocated by Centra.

15                   So I just want to address those because  
16 I agree that everything is in scope and so I just want  
17 to start with Centra's observations in item number 6,  
18 accounting changes and implementation of IFRS.

19                   Now, Centra's noted that it's been  
20 dealt with in large measure in the electric  
21 proceedings. I -- I think it's trite to say, these  
22 aren't electric proceedings. These are gas  
23 proceedings. And there needs to be an examination of  
24 the changes in implementation on the gas side relating  
25 to whatever accounting changes have been made and the

1 implementation of IFRS and how that affects rate  
2 setting.

3                   So the fact that it's been dealt with  
4 on the electric side is of no -- it's of cold comfort  
5 for this hearing. We need to look at the -- the --  
6 the ins and outs, as it were, as it impacts the rate  
7 setting for the -- Centra Gas.

8                   With respect to item 11, Centra's says  
9 that it's in scope. I just want to emphasize that in  
10 this -- incorporated in the capital expenditures is  
11 this issue of asset management and condition  
12 assessment. It's dealt with in some substance and  
13 detail in tab 4.

14                   Given the magnitude of the assets -- I  
15 think we're talking at least \$500 million, in annual  
16 capital expenditures about \$50 million. There needs  
17 to be some asset management and condition assessment  
18 and that's -- I've already talked about trying to get  
19 an expert for that.

20                   With respect to item number 14, bill  
21 impacts on customers -- on consumers. It may be  
22 nomenclature here, but clearly, bill impacts on  
23 consumers is in scope. It's -- it's in scope in every  
24 hearing and it must be here. If it's just directed to  
25 macroeconomic impacts, I'm not so much interested in



1 that, others might be, but clearly, the bill impacts  
2 on consumers is something that has to be drilled down  
3 to -- to determine appropriateness.

4                   With respect to the car -- carbon levy  
5 impacts, Ms. Carvell talked about that this morning.  
6 I wasn't quite clear on the -- the gives and takes.  
7 But it appears that there is going to be a carbon tax  
8 that's going to be meted out on April 1. She  
9 references a letter of January 16, 2019. I stand to  
10 be corrected but I have not seen that letter.

11

12                   (BRIEF PAUSE)

13

14                   MR. BRIAN MERONEK: Project? Okay  
15 here we go. Okay. I'm getting my cues from the  
16 maestro, Mr. Peters.

17                   So I would ask the Board -- or at least  
18 ask Centra to provide a copy of that letter. Like, we  
19 would ask for it in any event in the -- in the  
20 Information Request, but since it's front and centre  
21 now, we'd appreciate a copy.

22                   With respect to number 18, Western  
23 Transportation Service, acronym being WTS, I'm not  
24 clear as to what Centra's proposing. It proposes, on  
25 the one hand, a limited review and, on the other hand,

1 says doesn't believe the issue needs to be fully  
2 canvassed.

3 I think what has to happen is that the  
4 report that is being talked about here has to be put  
5 on the record and has to be reviewed. Maybe there's  
6 nothing to be said about it; maybe there is. But I  
7 think there has to be some, at least, limited review  
8 as to what that report is and so that we -- we can  
9 ascertain and opine on whether or not it's -- it's an  
10 appropriate recommendation for the Board to -- to  
11 endorse.

12 Number 19, rate design. There are two  
13 (2) components. One (1) is the cost allocation  
14 aspect, which is very much in scope. The second is  
15 the stakeholder process with respect to rebundling.  
16 Now, I know that -- that there been some stakeholder  
17 meetings, or at least one (1) meeting, and of course,  
18 I -- the purpose is to try to come to some kind of  
19 understanding, accommodation, and perhaps consensus  
20 about the issue of rebundling. We're not interested  
21 in -- in filling the record with what's been  
22 happening. We just would like to be able to us get  
23 information from Centra as to the steps going forward  
24 and the timing.

25 With respect to number 23, terms and

1 conditions of service, the Consumers Association of  
2 Canada has real interest in issues relating to the  
3 increase in the late payment fees and the increase in  
4 reconnection charges. So that would be a subset of  
5 the terms and conditions that we'll be looking at.

6           And lastly, with respect to compliance,  
7 given the hiatus that has occurred insofar as the fact  
8 that Centra's not been regulated on a -- on a revenue  
9 requirement basis for some six (6) years, that on a  
10 cost of gas basis, it's been roughly three (3) years,  
11 I think there has to be some discussion as to  
12 regulation of Centra going forward and making it more  
13 uniform and consistent, so we will want to address  
14 that as well.

15           And those are my comments with respect  
16 to the issues. Thank you.

17           MR. ANTOINE HACAULT: I'll try to make  
18 sure and project. I was also criticized. I guess we  
19 hear ourselves, and then we think everybody's hearing  
20 us.

21           I endorse the comments by Mr. Meronek,  
22 and won't repeat them. I have some extra comments  
23 that are specific to the industrial gas users. If  
24 we're -- this document, again, is -- that's in front  
25 of us, which is the -- the Centra issue list with the

1 Centra response is a useful document that I'm  
2 referring to.

3 I'm going to first identify issues  
4 which our group doesn't believe it's going to need to  
5 address or get involved in. The first item would be  
6 item number 10, liability insurance, and we don't  
7 foresee getting involved in that.

8 The second item is item number 13,  
9 demand-side management. We don't think we're going to  
10 have involvement in that. It might be limited if we  
11 do.

12 The -- item 19, Roman Numeral Number  
13 II, furthering the comments of Mr. Meronek, if there's  
14 a stakeholder engagement process and the rate design  
15 is not being changed on that -- under that Roman  
16 Numeral II, we don't see a need to be involved in that  
17 either.

18 With respect to the other items, I just  
19 have some -- a couple comments of clarification. The  
20 first item of the clarification would be we would view  
21 in item number 16, the heating value deferral account  
22 issues being comprised in that. I just want to make  
23 sure that is included.

24 And item number 23, you've heard both  
25 from Board counsel and -- and from the Chair, a lot of

1 interest in the balancing issue. I think it falls  
2 under these terms and conditions, but it's not  
3 specifically set out, so we just want to make sure  
4 that it's clear that that issue is in scope and it's  
5 specifically identified.

6           And so we'll be collaborating on the  
7 other issues, as I've indicated before, in the past in  
8 Hydro hearings, see if there can be a primary person  
9 that carries the load, and to what extent we need to  
10 be involved or not involved on the other issues. So,  
11 on the other issues that I haven't particularly  
12 singled out, our intention is to collaborate with  
13 other Intervenors as soon as we know the extent and  
14 the -- and the Board Order, and we get a better idea  
15 of which additional industrial users will -- will be  
16 representing in the group.

17           Those are my comments with respect to  
18 the issue lists. I'll reserve comments on the  
19 timetable. I've had some conversations with counsel  
20 of Centra Gas on that.

21           MR. BOB PETERS: Yes, thank you. In  
22 terms of the issues, Mr. Chair and panel members, when  
23 the prospective Intervenors were presenting their  
24 materials, they -- they addressed the various issues  
25 on which they wanted to participate, and we have that

1 on the transcript, and we have that in their  
2 Intervenor application form, but I would at this time  
3 go down my list of -- on the order outline of  
4 procedures and just give an opportunity if -- if there  
5 were any other comments about issues that should be in  
6 scope to hear them.

7 I'll start with TransCanada PipeLines  
8 Limited and Ms. Stephens. If there was anything  
9 further that you wanted to add on the issues, this  
10 would be a good time to do it.

11 MS. ROSEMARY STEVENS (by phone): No,  
12 we didn't have anything else to add. Thanks.

13 MR. BOB PETERS: Thank you for that.  
14 I'll also turned to Unifor and ask if they have  
15 anything further the -- to what they presented when  
16 they reviewed their application with the panel.

17 MS. SUZANNE KING: Thank you. No. I  
18 don't think we do. I think most of our -- our  
19 comments would fall under terms of service and  
20 conditions.

21 MR. BOB PETERS: Yes, and thank you.  
22 Turning to BP Canada Energy Group ULC, whether there  
23 are any other issues that BP would like to mention at  
24 this point in time. Ms. Johnston?

25 MS. KIM JOHNSTON (by phone): No, not

1 at this time. Thank you.

2 MR. BOB PETERS: All right, and I  
3 thank you. Turning to Bunge Canada, are there any  
4 additional comments relative to the issues?

5 Hearing none, I'll turn to Koch  
6 Fertilizers Canada and ask if there any additional  
7 issues to what's already been presented.

8 MR. PAUL LIDDLE: No, we have nothing  
9 further.

10 MR. BOB PETERS: Thank you, sir. And  
11 on McCain Foods Canada, Ms. Hyde, whether there was  
12 something further that you had in terms of issues that  
13 hadn't been previously identified.

14 MS. DARYL HYDE (by phone): No,  
15 nothing at this time. Thanks.

16 MR. BOB PETERS: Thank you. Noting  
17 that Richardson international is not in attendance,  
18 lastly, then, turning to Simplot Canada (II) Limited,  
19 Mr. Sturtevant, anything further from yourself, sir?

20

21 (BRIEF PAUSE)

22

23 MR. BOB PETERS: Hearing none, we'll  
24 move forward to the hearing timetable discussion.  
25 Again, Mr. Chair and panel members, when parties were

1 mentioning in their presentation, their -- their  
2 reason for involvement, some of them took the  
3 opportunity to speak on -- in terms of the timetable.  
4 We do have two (2) timetable proposals that parties  
5 have asked the Board to consider, and all parties need  
6 to be aware that the panel will adjudicate and -- and  
7 review the panel -- panel's timetable, and it will be  
8 included with its procedural order.

9                   One (1) item that's been mentioned by  
10 counsel for the industrial gas users was that the  
11 Board is recommended to include in its timetable a  
12 relatively early motions day to deal with the question  
13 of commercially-sensitive information or confidential  
14 information, because that may be an issue that some of  
15 the Intervenors will want addressed if they can't have  
16 it resolved directly between themselves and the  
17 Utility.

18                   So seeing that there are two (2)  
19 timetables -- Centra has proposed its -- I think what  
20 I'll do, with Ms. -- Ms. Carvell's approval, is I'll  
21 canvass the Intervenors and come back and see if  
22 Centra has any comments.

23                   Mr. Meronek, you and your clients made  
24 the bigger effort of putting together a draft  
25 timetable. Would you like to speak to that, sir?



1 MR. BRIAN MERONEK: It was under  
2 harassment from you. The -- the timetable that we saw  
3 from Centra yesterday, in our view, is -- is not  
4 workable. And it's -- it's -- from start to finish,  
5 it's in -- the last component is the hearing of July  
6 3, during that week, and then an expectation that the  
7 Board come up with a decision two (2) or three (3)  
8 weeks later.

9 We don't know how long the hearing's  
10 going to be. It could be two (2) weeks. It could be  
11 longer. We don't know whether there'll be an  
12 adjournment to have oral argument, or whether there'll  
13 be written argument. So just from the Board's  
14 perspective, the -- the timeframe for such a unique  
15 hearing, if I can say that, because there's been -- it  
16 -- there's nine (9) years of material -- of -- of  
17 material that -- that has to be reviewed.

18 We've got -- we have six (6) years of -  
19 - of data, going back to 2013. We have two (2)  
20 prospective years, going forward. There's just a lot  
21 of material to go through, and there are a lot of  
22 complex issues. They -- to expect the Board to be  
23 able to come up with a decision in two (2) weeks is --  
24 I -- I just -- it's not fair.

25 The Board counsel indicated personal

1 issues with respect to timing. I could advise the --  
2 the Board that I am in a trial for the month of June,  
3 so I can't -- I can't do it in June. This is when  
4 it's supposed to start. This has been going on for  
5 six (6) years. There's got to be a little bit of  
6 flexibility.

7                   We've had -- we've put together a -- a  
8 schedule that I think is much more workable, and it  
9 addresses the intervening Manitoba Hydro hearing, so  
10 we've been very cognizant of the -- of -- of the --  
11 the two (2) hearings.

12                   We are expecting -- we think that the  
13 best arrangement is to have -- if -- if people don't  
14 want to sit in the summer, I can understand that, but  
15 at the very least, September for the hearing, and an  
16 order in for November 1. That's the start of the gas  
17 year, in any event.

18                   I -- I would expect that the argument  
19 for fast-forwarding this is because there's going to  
20 be a refund. When you dig down into that argument, it  
21 just doesn't bear out. First of all, we just heard  
22 today that there's going to be an eighty-eight dollar  
23 (\$88) increase on -- on April 1, through no fault of  
24 Centra, but that's going to knock off the refund of  
25 forty-two dollars (\$42).

1                   Secondly, if you're looking at a  
2 refund, most of that refund is from with respect to  
3 gos -- gas costs, which have been accumulating in the  
4 PGVA account for a couple of years.

5                   Thirdly, if you're looking at a -- a --  
6 on the record, a refund of forty (40), some forty-two  
7 dollars (\$42) for the average residential consumer, if  
8 you extract -- if you -- if you proportionalize that  
9 into three (3) months, that's ten bucks (\$10), or  
10 three bucks (\$3) a month, and that's in the  
11 summertime, and it's all volumetric related, so  
12 there's no gas being consumed in there, or very little  
13 gas being consumed in the summer, so the consumer's  
14 not -- would -- if there was a refund, isn't going to  
15 see much, anyway. So it's a -- it's a peccadillo,  
16 really, in terms of wanting to get a refund out to the  
17 consumers.

18                   I urge the Board not to sacrifice  
19 substance and a -- and a complete vetting of the  
20 hearing at -- at the altar of expediency. So I would  
21 urge the -- the Board to consider a -- a hearing that  
22 doesn't start in -- in June, but starts in September  
23 or some -- it -- some compromise in between.

24                   I -- I must indicate that I had sent  
25 this out yesterday. Unfortunately, the people that

1 are speaking on behalf of Centra did not receive it,  
2 and so I -- I welcome their observations. Thank you.

3 MR. BOB PETERS: And perhaps, Mr.  
4 Chair, before getting to Centra, let's stay with the  
5 Intervenors and Mr. Hacaault, you have asked for an  
6 opportunity to speak to the timetable. This would be  
7 your time.

8 MR. ANTOINE HACAULT: Thank you, Mr.  
9 Peters.

10 Now, I don't know if it's driving this,  
11 but at Tab 12 of the Centra materials, around lines 16  
12 up to 19, and I'll just read it in for the record.

13 "T-Service customers have also been  
14 advised that any intentions of  
15 changing their natural gas service  
16 effective November 1, 2019 need to  
17 be communicated to Centra by the  
18 latter of [so it gives flexibility]  
19 July 31, 2019 or the receipt of  
20 confirmation of the PUB's approval  
21 of the related changes to the terms  
22 and conditions."

23 As I understand this, and I'll confess  
24 I don't have a very good understanding, that's if  
25 people want to switch from buying their own gas from

1 third parties, or switch to buying gas from Centra  
2 Gas.

3                   So in -- in my view, it's unfortunately  
4 worded too because it assumes that the PUB is going to  
5 confirm exactly what Centra Gas is asking for. It  
6 says:

7                   "...or receipt of the confirmation  
8                   of PUB approval of what we want to  
9                   do."

10                   It's kind of holding a gun to the head  
11 of these purchasers of power by saying that. Now, I  
12 agree with Mr. Meronek's indications. This has been a  
13 hearing, actually, that's been outstanding. It  
14 actually led, and I was reading some Board Orders on  
15 my vacation, to some penalties for not filing in time.

16                   So I'm not too sure when a utility is  
17 that delinquent that it's had to have penalties  
18 imposed on it in not filing applications in a timely  
19 way and complying with directives, how they come to  
20 the conclusion that we have to be in a huge rush to  
21 get everything done, instead of taking our time to  
22 adequately review things that have been outstanding  
23 for quite some time.

24                   With respect to specific concerns on  
25 the schedule that's being proposed by Centra Gas, we

1 definitely would prefer to have, if I'm looking now at  
2 the scheduling, something more similar to what the  
3 Consumers Association of Canada is suggesting; that  
4 there be 1st Round Information Request from the PUB.  
5 I think that would -- that's a good efficiency item  
6 because then the advisors who will have done their  
7 usual good work put those IRs out there and we don't  
8 have to guess what they're going to be asking.

9                   So allowing us one (1) week to see what  
10 those requests are and then decide what requests we  
11 will make in the first round, I think makes a lot of  
12 sense from the perspective of ensuring that we avoid  
13 duplication.

14                   A second comment that I would have for  
15 this Board to consider is that under Centra's  
16 schedule, there's twenty (20) days between the receipt  
17 of Round 1 IR responses to file the second round of IR  
18 responses. I just raise a caveat here because it may  
19 be that we get responses that are unexpected and raise  
20 commercially-sensitive information refusals.

21                   If we have twenty (20) days to deal  
22 with those refusals and get a ruling from the Board,  
23 it puts a really tight timeframe for us to get the  
24 issues addressed as to whether the answers in our  
25 first round request were properly refused. And we may

1 have second round Information Requests, depending on  
2 the ruling of this Board.

3           So, the CAC's timing is preferable in  
4 that respect because it allows quite a bit of time,  
5 and it would allow us to iron -- iron out any kind of  
6 motions or confidentiality issues that need to be  
7 decided by this Board.

8           The last comment I had on Centra's  
9 schedule is that it would leave one (1) week to  
10 prepare Intervenor evidence after receipt of the  
11 responses on the second round of IRs. That is pretty  
12 challenging at the best of times to come up with  
13 evidence and in one (1) week I don't think Centra Gas  
14 would expect that it would come up with all its  
15 evidence in one (1) week.

16           So we say that that's unrealistic,  
17 especially given the breath and scope of issues that  
18 this Board needs information on to decide the fair and  
19 just test and rates.

20           So, those would be my comments in a  
21 general way. We favour the draft schedule that the  
22 Consumers Association has put forward.

23           MR. BOB PETERS:    And Mr. Hacault,  
24 before moving too far from the microphone, Mr. Meronek  
25 was kind enough to provide us with some insight into

1 his availability for various reasons.

2 Are there any impediments to your  
3 attendance that you want the Panel to be aware of at  
4 this time?

5 MR. ANTOINE HACAULT: There are not.  
6 The reason -- that's a good question, Mr. Peters asked  
7 because in the Hydro I had neglected to advise the  
8 Board that I was not physically present from April 22  
9 to the first weeks of May, and those dates had not  
10 been discussed during the hearing. But that's where  
11 my physical absence is and neither schedule proposed  
12 by Centra Gas or by the Consumers Association fall in  
13 the last weeks of April and May, where I would require  
14 a physical presence, and therefore, would be able to  
15 attend to anything that might come up electronically  
16 if I needed to.

17 Thank you for that comment.

18 MR. BOB PETERS: And, Mr. Chair, I'm  
19 still working down the list. I will go back -- excuse  
20 me -- through the outline of procedures and just  
21 canvas with the other prospective Intervenors whether  
22 they have any additional comments on the timetables.

23 I'll start with TransCanada PipeLines  
24 Limited. Although, Ms. Stevens, I think if I recall  
25 correctly, you indicated already that there weren't



1 any impediments. You wanted flexibility but anything  
2 in specific, please?

3 MS. ROSEMARY STEVENS (by phone): No,  
4 we don't have anything else to add on that.

5 MR. BOB PETERS: All right. Turning  
6 to Unifor, whether there are any comments on the  
7 timetable and the schedule?

8 MS. SUZANNE KING: No, nothing to add.  
9 Thank you.

10 MR. BOB PETERS: Thank you.

11 Turning to BP Canada Energy Group, ULC,  
12 Ms. Johnston, any comments on the schedule?

13 MS. KIM JOHNSTON (by phone): No, no  
14 comments.

15 MR. BOB PETERS: Thank you.

16 Bunge Canada, any comments on the  
17 schedule?

18 Hearing none, turning to Koch  
19 Fertilizer, sir?

20 MR. PAUL LIDDLE: Sorry, little  
21 trouble here. No further comments.

22 MR. BOB PETERS: Thank you.

23 McCain Foods, Ms. Hyde, any further  
24 comments on behalf of McCain relative to the  
25 timetable?

1 MS. DARYL HYDE (by phone): No further  
2 comments. Thank you.

3 MR. BOB PETERS: Thank you.

4 Recognizing again, Richardson  
5 International is not in attendance.

6 Lastly, to Simplot Canada (II) Limited,  
7 Mr. Sturtevant, any comments on the timetabling?

8 Hearing none, Ms. Carvell, over to you.  
9 You've heard a number of parties provide their views.  
10 Centra has also provided it's schedule with your  
11 letter of the 23rd.

12 Any additional comments?

13

14 ADDITIONAL COMMENTS BY CENTRA GAS MANITOBA INC.:

15 MS. JESSICA CARVELL: Thank you. I do  
16 have a couple additional comments.

17 Centra drafted its proposed schedule  
18 with the hopes that the PUB would issue an Order prior  
19 to the requested implementation date of August 1st of  
20 this year; that was deliberate.

21 In this application, Centra is seeking  
22 approval of specific -- of certain proposed  
23 transportation and storage costs that are set out in  
24 tab 9, which is -- was filed in confidence.

25 And my client requests that the PUB

1 rule on that issue on or before July 31st.

2                   Given the confidential nature of this  
3 matter, I'm cautious to speak further on it, but I  
4 would be happy to provide additional information in  
5 writing or discuss with the PUB counsel later.

6                   Overall, I'd also have a couple  
7 additional comments. Centra is concerned about  
8 delaying the hearing to late summer or fall. There  
9 may be additional issues that could arise with the  
10 information and the filing needing to be updated.

11                   We are also cautious of the fact that  
12 Manitoba Hydro intends to file a General Rate  
13 Application in the fall of this year as well, and  
14 there may be internal resource constraints with having  
15 a hearing at that time.

16                   Two (2) additional comments. We would  
17 expect that Intervenors would commence the preparation  
18 of their evidence prior to the receipt of the second  
19 round IR responses. In fact, we'd hope that they  
20 would consider preparing that evidence immediately  
21 after the issuance of the procedural Order.

22                   And I would also like to note, Centra  
23 has proposed to file its rebuttal evidence, only five  
24 (5) days after the receipt of Intervenor IR responses.

25                   Those are all my comments on the

1 schedule at this point, subject to any questions that  
2 the Panel may have.

3 MR. BOB PETERS: There being no  
4 questions on the timetable matters, Mr. Chair, we are  
5 coming to the end of the pre-hearing conference and in  
6 terms of closing comments, I take it from Ms.  
7 Carvell's last comments there are no further closing  
8 comments?

9 MS. JESSICA CARVELL: No further  
10 comments, but I'd like to thank the Board for its time  
11 and attention this morning.

12 MR. BOB PETERS: And then turning to  
13 the Intervenors, Mr. Chair, I'd like to just run down  
14 that list one (1) more time to provide the Intervenors  
15 with one (1) last opportunity of any comments or any  
16 matters that they haven't previously already provided.

17 Turning to the Consumers Association of  
18 Canada (Manitoba) Inc., Mr. Meronek or Mr. McKay?

19 MR. BRIAN MERONEK: Just one (1) item  
20 I forgot, and maybe I could get clarification from  
21 Centra.

22 In their timetable they indicate that  
23 they're to file updated application materials, tabs 3  
24 to 7 only, subject to Minister approval.

25 Perhaps Centra could clarify what that

1 means. Is there an expectation that there may be  
2 different material -- different material, or that  
3 there's going to be an issue with it being approved?

4 MS. JESSICA CARVELL: I think I'll let  
5 Ms. Carriere speak to this, with the Board's approval.

6 MS. LIZ CARRIERE: So, similar to on  
7 the electric process on the gas side of the business  
8 as well -- thank you, Mr. Peters -- we are currently  
9 in the process of preparing our final 2019/20 electric  
10 and gas budgets that will be subject -- or submitted  
11 to Manitoba Hydro's Electric Board, as well as the  
12 Minister of Crown Services.

13 So we were anticipating that we would  
14 be filing that material with the PUB once we've  
15 received approval from our Board and the -- the  
16 Minister. And we anticipated updating filing  
17 materials associated with that.

18 MR. BRIAN MERONEK: Thank you for  
19 that, that's just one (1) more reason why it should be  
20 held over in the fall.

21 MR. BOB PETERS: Thank you, Ms.  
22 Carriere and Mr. Meronek.

23 Turning to TransCanada PipeLines, Ms.  
24 Stevens, if you're still on the line with us, any last  
25 comments?

1 MS. ROSEMARY STEVENS (by phone): No,  
2 we don't have anything else. Thank you.

3 MR. BOB PETERS: All right, thank you.

4 And turning into the hearing room to  
5 Unifor Local 681?

6 MR. VICTOR DIDUCH: No additional  
7 comments. Thank you.

8 MR. BOB PETERS: Thank you.

9 The Industrial Gas Users, Mr. Hacault?

10 MR. ANTOINE HACAULT: No further  
11 comments. Merci.

12 MR. BOB PETERS: BP Canada Energy  
13 Group ULC, Ms. Johnston?

14 MS. KIM JOHNSTON (by phone): No  
15 additional comments. Thank you.

16 MR. BOB PETERS: Thank you.

17 Bunge Canada, Mr. Rickers or others?

18 MR. BRIAN RICKERS (by phone): No  
19 additional comments.

20 MR. BOB PETERS: Thank you, sir.

21 Koch Fertilizers Canada ULC, any  
22 additional comments?

23 MR. PAUL LIDDLE: No further comments  
24 other than to thank the group for the opportunity to  
25 talk to you this morning.

1 MR. BOB PETERS: McCain Foods Canada,  
2 Ms. Hyde?

3 MS. DARYL HYDE (by phone): I have no  
4 comments. Thank you.

5 MR. BOB PETERS: And thank you.  
6 Richardson International not in  
7 attendance.

8 Lastly to Simplot Canada (II) Limited,  
9 any closing comments, Mr. Sturtevant?

10 MR. DON STURTEVANT (by phone): Thank  
11 you for the opportunity.

12 The only admonition I guess I would ask  
13 of everyone is we're still having some hard time  
14 hearing people on the phone. So if you would please,  
15 please, please, lean into your mic and speak loudly,  
16 that would be greatly appreciated. Thank you so much.

17 MR. BOB PETERS: And thank you, sir.

18 I can indicate, Mr. Chair, that I too  
19 will thank all the parties for their participation. I  
20 want to thank the Board for their attention this  
21 morning. I also want to thank Ms. Schubert for  
22 organizing, as she has, together with Ms. McMillin.  
23 I want to thank the parties who attended in person and  
24 over the phone.

25 I believe the Board has your position.

1 There is a transcript that is being prepared and will  
2 be on the Board's website, and those are my comments  
3 subject to any questions from yourself. Thank you,  
4 sir.

5 THE PANEL CHAIR: Thank you all for  
6 your attendance and for your input. We are now  
7 adjourned. Good morning.

8

9 --- Upon Adjourning at 11:36 a.m.

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12 Certified Correct,

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16 Cheryl Lavigne, Ms.

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