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March 23, 2021

THE PUBLIC UTILITIES BOARD OF MANITOBA  
400-330 Portage Avenue  
Winnipeg, Manitoba  
R3C 0C4

ATTENTION: Dr. D. Christle, Board Secretary and Executive Director

Dear Dr. Christle:

**RE: CENTRA GAS MANITOBA INC. ("CENTRA")  
CENTRA'S RATE RE-BUNDLING APPLICATION**

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Please find enclosed three public redacted copies and three blue-paper copies of Centra Gas Manitoba Inc.'s ("Centra") Rate Re-bundling Application ("Application") filed pursuant to *The Public Utilities Board Act*.

Centra hereby applies to the Public Utilities Board of Manitoba ("PUB" or "Board") for an Order pursuant to *The Public Utilities Board Act*, approving changes to be effective no earlier than November 1, 2022, with respect to the following:

- The replacement of existing Primary Gas and Supplemental Gas rate components with a single Gas Commodity rate component;
- The replacement of the existing Primary Gas purchased gas variance account ("PGVA") with a new Gas Commodity PGVA, with any residual balance in the Primary Gas PGVA transferring into the Gas Commodity PGVA at that time;
- The creation of a new Commodity Cost Balancing Deferral ("CCBD") account and associated CCBD rate rider;
- The quarterly adjustment of the CCBD rate rider as part of quarterly variable Gas Commodity rate applications; and
- The migration of the delivery point from Empress to the AECO/NIT ("AECO") gas hub for the Western Transportation Service ("WTS").

### Motion on Confidentiality

Pursuant to Rule 13(2) of The Public Utilities Board Rules of Practice and Procedure ("Rules"), Centra seeks an Order of the PUB confirming that it will receive those portions redacted in the Application in confidence.

### Grounds

Specific grounds for considering the information identified as confidential within the Application is noted directly therein, referenced in accordance with the attached Appendix 1 - Centra Redaction Criteria.

As indicated in previous correspondence to the PUB, the current unlimited pricing discretion afforded to TransCanada Pipelines Limited ("TCPL") in establishing short-term firm and interruptible transportation bid floors on the Canadian Mainline has caused Centra to consider historical and forecast annual gas supply and gas cost information as commercially sensitive. Centra is concerned that public disclosure of certain information, including information on Centra's transactions, commercial arrangements, and operations, will expose Centra and its ratepayers to increased costs and irreparable harm by virtue of Centra being a captive shipper on the Canadian Mainline. If this confidential information was to become public, the potential for adverse pricing activity by market participants will result to the detriment of Centra. Consequently, Centra's competitive market position is reasonably expected to be prejudiced by public disclosure of this confidential information, including the potential for material cost increases to Centra and its ratepayers.

As such, Centra respectfully submits that the limited amount of information identified within the Application as confidential should not be publicly disclosed.

### Review Process

Centra's proposed approach to re-bundling its natural gas sales rate structure is a practical and efficient solution to alleviating the confusion and complexity inherent in existing natural gas sales rates and will provide benefits to customers, gas marketers and the utility. Based on previous discussions with the PUB, and given the extent of consultation on and anticipated support for the Application from all interested stakeholders, Centra submits that the Board should commence its adjudication process of the Application as expeditiously and efficiently as possible by initially seeking written confirmation and/or comments from interested parties on their support for the Application, while providing a limited right of reply to Centra on those

comments if necessary. Centra looks forward to the opportunity to further discuss the process and associated timelines for the approval of this Application with the PUB.

Public Notice

Centra recommends that following the PUB's receipt and initial review of this Application, the PUB and Centra should discuss and work together in determining whether a Public Notice is required to be published for the Application and if so, the information to be included in the Public Notice.

Should you have any questions with respect to this response, please contact the writer at 204-360-3257 or Darryl Martin at (204) 360-4487.

Yours truly,

**MANITOBA HYDRO LEGAL SERVICES DIVISION**

Per:



**BRENT A. CZARNECKI**  
Barrister & Solicitor

cc: Bob Peters, Board Counsel

Att.

Appendix 1

**Centra Redaction Criteria**

**1. Information that if released could result in undue financial loss to Centra and its ratepayers, and undue financial gain to current or potential service providers, or parties with whom Centra may be negotiating, and/or harm Centra's competitive position and prejudice its negotiations *for example:***

- a. Details of Centra's gas supply portfolio (i.e., all non-public commercial arrangements including contract details and Capacity Management transactions), including costs (except at summary levels)
- b. Analysis of alternative commercial arrangements, and third-party responses to RFPs.
- c. Details of Centra's gas supply operations including risk tolerances, dispatch queues, and design firm peak day/maximum season information.
- d. Load forecast/customer usage coefficients, forecast and actual purchased gas volume information and impact of weather on Manitoba market demand and gas supply operations (i.e., actual and forecast gas purchase volumes, average use per customer, Effective Heating Degree-Day (EHDD) balance point, actual and forecast EHDD).
- e. Information/values that, if provided, would allow for the calculation of the information that Centra is seeking to protect for the reasons outlined above.

**2. Party/Contract Specific Detail (information provided to Centra with an expectation that confidentially will be maintained) *for example:***

- a. Third party responses to Request for Proposals (RFP);
- b. Information subject to statutory or contractual confidentiality provisions.
- c. Benchmarking information provided by other utilities with the expectation confidentiality would be maintained (i.e., utility information regarding liability insurance coverage).
- d. Specific customer volume information, current or forecast.