



360 Portage Avenue (22) Winnipeg Manitoba Canada R3C 0G8
Telephone / N° de téléphone : (204) 360-3257 Fax / N° de télécopieur : (204) 360-6147
baczamecki@hydro.mb.ca

MAIL ROOM
BILLET DE COURIER

NOV 30 PM 12:58

November 30, 2015

Ms. Sheri Young
Secretary of the Board
National Energy Board
517 Tenth Ave SW
Calgary, AB
T2R 0A8

Dear Ms. Young:

Re: 2016 Review of Abandonment Cost Estimates

This is further to the National Energy Board's (the "Board") letter of October 29, 2015 inviting comments from interested parties on the process steps and the list of possible issues as contained in Appendix 2 (Scope of the Proceeding in MH-001-2012) for the Board's anticipated review of the abandonment cost estimates for all regulated pipeline companies in 2016 ("2016 Review Process").

Centra Gas Manitoba Inc. ("Centra") is the sole natural gas local distribution company in Manitoba, serving approximately 275,000 natural gas customers. The vast majority of the natural gas transported to Centra's franchise area is from the Western Canadian Sedimentary Basin ("WCSB") and is transported by way of the Nova Gas Transmission Ltd. ("NGTL") System and TransCanada Pipelines Limited's ("TransCanada") Canadian Mainline (the "Mainline"). As such, Centra holds a significant amount of Firm Transportation capacity on both NGTL and the Mainline, and Centra and its ratepayers are subject to abandonment surcharges on both of these pipelines. Centra has a significant and direct interest in the 2016 Review Process.

In the MH-001-2013 Reasons for Decision, the Board provided:

The Board also expects Group 2 companies to plan for the timing of abandonment activities for any sections of their facilities that could cease service on separate timelines. Therefore, the Board directs Group 2 companies to file their preliminary abandonment funding plans the next time the Board holds a review. The level of detail in the funding plan should be commensurate with the complexity of the Group 2 pipeline and the size of its ACE.¹

¹ NEB Reasons for Decision, TransCanada PipeLines Limited, MH-001-2013, Section 6.2.3, page 103

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Consistent with the Board's above-noted direction and expectation, Centra respectfully submits for the Board's consideration that the preliminary list of issues for the 2016 Review Process should include the requirement for Group 1 companies to report on any preliminary decommissioning and/or abandonment plans they may respectively have, including the funding and associated timing of same. This will provide the Board with important and relevant information for its ongoing assessment of estimated and actual abandonment costs..

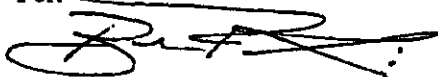
With respect to the Mainline, the funding and the associated timing of TransCanada's anticipated decommissioning and abandonment activities related to the Prairie Tie-in Project are of particular interest to Centra. The scope of the Prairie Tie-in Project includes the connection of all 29 meter stations in Saskatchewan and Manitoba, which are currently connected to TransCanada's Prairies Lines 100-1, 100-2, 100-3 and 100-4, to Mainlines 100-5 and 100-6. It is Centra's understanding that once the Prairie Tie-in Project is completed in 2016, integrity work on Prairies Lines 100-2 and 100-3 of the Mainline may cease, potentially triggering the need for abandonment funds, or at minimum abandonment funding plans, in the short-term.

Centra thanks the Board for the opportunity to comment on the 2016 Review Process.

Yours truly,

MANITOBA HYDRO LAW DEPARTMENT

Per:



BRENT CZARNECKI
Barrister & Solicitor

BAC/kp



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FROM	Fax no. (204) 360-6147	TO	Fax no. (403) 292-5503
Originator Brent Czarnecki		Recipient Ms. Sheri Young, Secretary of the Board, NEB	
Phone no. (204) 360-3257		Mailing Address 517 Tenth Avenue SW, Calgary, AB T2R 0A8	
Mailing Address 360 Portage Avenue, Winnipeg, MB R3C 2P4		CC	Fax no.
Email Address (optional) baczarnecki@hydro.mb.ca		Recipient	
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