



**Second Session - Thirty-Fifth Legislature**  
of the  
**Legislative Assembly of Manitoba**

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**STANDING COMMITTEE**  
on  
**PUBLIC UTILITIES**  
and  
**NATURAL RESOURCES**

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40 Elizabeth II

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*Chairman*  
*Mr. Jack Penner*  
*Constituency of Emerson*



**VOL. XL No. 12 - 8 p.m., THURSDAY, JUNE 27, 1991**



**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fifth Legislature**

LIB - Liberal; ND - New Democrat; PC - Progressive Conservative

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	LIB
ASHTON, Steve	Thompson	ND
BARRETT, Becky	Wellington	ND
CARR, James	Crescentwood	LIB
CARSTAIRS, Sharon	River Heights	LIB
CERILLI, Marianne	Radisson	ND
CHEEMA, Gulzar	The Maples	LIB
CHOMIAK, Dave	Kildonan	ND
CONNERY, Edward	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	ND
DOER, Gary	Concordia	ND
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	LIB
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Cliff	Interlake	ND
EVANS, Leonard S.	Brandon East	ND
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	ND
GAUDRY, Neil	St. Boniface	LIB
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
HARPER, Elijah	Rupertsland	ND
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	ND
LAMOUREUX, Kevin	Inkster	LIB
LATHLIN, Oscar	The Pas	ND
LAURENDEAU, Marcel	St. Norbert	PC
MALOWAY, Jim	Elmwood	ND
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	ND
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold, Hon.	Rossmere	PC
ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	ND
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	ND
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	ND
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	ND
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	ND
WOWCHUK, Rosann	Swan River	ND

**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**THE STANDING COMMITTEE ON**  
**PUBLIC UTILITIES AND NATURAL RESOURCES**

**Thursday, June 27, 1991**

**TIME — 8 p.m.**

**LOCATION — Winnipeg, Manitoba**

**CHAIRMAN — Mr. Jack Penner (Emerson)**

**ATTENDANCE - 11 — QUORUM - 6**

*Members of the Committee present:*

Hon. Mr. Ducharme, Hon. Mrs. McIntosh  
 Messrs. Cheema, Lamoureux, Laurendeau,  
 Maloway, McAlpine, Penner, Reid, Mrs.  
 Render, Mrs. Vodrey

**WITNESSES:**

Wendy Barker, Consumers Association of  
 Canada (Manitoba Branch)  
 David Brett, Centra Gas Manitoba Inc.

**MATTERS UNDER DISCUSSION:**

Bill 44—The Public Utilities Board Amendment  
 Act

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**Mr. Chairman:** Order, please. First of all, my apologies for being five minutes late. I had the great opportunity to meet with a group of people from the Caribbean and they, of course, extend their greetings to you and also extend their apologies for keeping me five minutes longer than they should have.

Will the Standing Committee on Public Utilities and Natural Resources please come to order. This evening the committee will be considering Bill 44, The Public Utilities Board Amendment Act; (Loi modifiant la Loi sur la Régie des services publics). It is our custom to hear briefs before consideration of bills. What is the will of the committee tonight?

**An Honourable Member:** Agreed.

**Mr. Chairman:** I have a list of persons wishing to appear before this committee, which I will now read. We have two people who want to appear. One is Ms. Wendy Barker. She is of the Consumers' Association of Canada, Manitoba Branch. The other one is Mr. David Brett of the Centra Gas company.

Should any of the other public wish to make presentations and is not mentioned on this list, would you please inform any of our people tonight, or if anybody comes in the meantime, they are quite welcome to make presentations before we commence the hearings. Does the committee wish to impose any time limits on the length of the public presentations?

**An Honourable Member:** No.

**Mr. Chairman:** No? Okay. I would now call upon Ms. Wendy Barker of the Consumers' Association of Canada to come forward, please.

**Ms. Wendy Barker (Consumers' Association of Canada (Manitoba Branch)):** Mr. Chairman, honoured members, I wish to apologize first of all for my appearance tonight and also for the lack of a written brief, both of which are due to having very little notice that tonight was the night that this bill was going to be considered. I just left my exercise class about 15 minutes ago which is why I am a little pinkish. We just simply did not have enough time to prepare a written brief; however, my remarks are going to be fairly small, and I think that you will be able to take it all in.

I remember when the court decision was made that ICG at the time would not be able to cut off customers who were delinquent in their bills, and I was called by a member of the Free Press, I think, for my reaction to this. My immediate reaction was that this would impose a cost on the vast majority of consumers who would normally pay their bills on time and never consider being delinquent in their bills. That has, indeed, come to pass. I think we saw in the last year that Centra Gas now is experiencing a great many problems in collecting on their bills, because they do not have the possibility of the ultimate threat, that of locking off the gas.

It is simply not fair to the vast majority of their customers to be saddled with the burden of trying to collect on those debts through the court process, through a collection process and so on. We certainly wish it to be known that anybody who is not

able to pay their bill because of sudden financial change, certainly they should be provided with an opportunity to be able to continue to receive gas. My understanding of the bill is that there are safeguards going to be put in place that will allow that to happen.

\* (2010)

I think that the people who have chosen to structure their finances in such a way, by knowing that they cannot be cut off and therefore choosing not to pay their gas bill, should be subject to the ultimate penalty. The burden of those costs should not be passed on to the ordinary consumer, you and I and everybody else in the city of Winnipeg who has gas come into their home. That is the basic position of the Consumers' Association.

We have worked with both the Public Utilities Board and Centra Gas over the past few years to achieve some sort of a process which will both protect people who are not able to pay their bills due to unfortunate financial circumstances, but also to lower the costs to the ordinary consumer. We would certainly support the passage of this bill, and we would ask that you consider giving this your authorization.

I would just like to make another comment I was asked to make, that the shortness of time, I think, has perhaps meant that there are fewer presenters here for your consideration. I think that the committee should take that into consideration in making their deliberation on this. I would certainly hope that in the future a longer length of time would be given to people who might want to make a presentation. Those are all my comments.

**Mr. Chairman:** Thank you, Ms. Barker. Are there any questions of Ms. Barker?

**Mr. Kevin Lamoureux (Inkster):** Yes, Ms. Barker, can you tell me when you were, in fact, informed that the committee was going to be meeting this evening?

**Ms. Barker:** I was informed at about 1:30 this afternoon.

**Mr. Chairman:** Any other questions?

**Hon. Linda McIntosh (Minister of Co-operative, Consumer and Corporate Affairs):** More a comment rather than a question. I would like to thank you very much for having taken the time to appear, and I appreciate your comments very much. I would also like to extend to you my appreciation

for coming out on such short notice. I do take into consideration the comments you have made about people who might have come had there been a little more time. I think that you look just fine, thank you. So thank you very much for having shared your comments with us.

\* (2015)

**Ms. Barker:** Thank you.

**Mr. Chairman:** Thank you very much. The next presenter is Mr. David Brett of the Centra Gas company. David, would you come forward, please.

**Mr. David Brett (Centra Gas Manitoba Inc.):** Thank you, Mr. Chairman. I, too, apologize for not having a written brief or at least notes of my comments for the committee. Like Ms. Barker, we found out sometime this afternoon that the committee was sitting tonight. Do not get me wrong, I am not complaining that you are dealing with the matter tonight.

We felt it would probably be remiss on our part not to speak to the bill and express our support for it, inasmuch as we have been, on our own behalf and on behalf of our customers, very active in seeking its passage. To put it crisply, we are requesting, on behalf of Centra Gas and on behalf of our consumers, the prompt and timely passage of the legislation.

I did, however, want to make a couple of comments, some of which have been suggested by the remarks of some of the honourable members in the House prior to this bill receiving second reading. The first is this. This issue on the inability to disconnect customers and remedial legislation, it is true, is about money, but it is about far more important things than that, as well, as suggested by Mr. Doer in his remarks. That is, it is also about people.

Safeguards must be present to deal with those who for one reason or another do not have the ability to look after themselves. We think the legislation as it is drafted and the accompanying—if I can use the term—policies and procedures, while they are not part of the legislation, would certainly be part of the legislative and regulatory environment in which we would operate, address those important people issues, that the protections that have been spoken to by some of you and other members, in our view, are present in the legislation and in the proposed policies.

Two things struck me as I read some of the comments. I must confess that I am only up to date as of the 21st of June in terms of the speeches that were made in the House. Concern was raised about three items which I could address with your leave, Mr. Chairman, and that is, one, the question of appropriate notification to consumers that an appeal procedure does exist to the Public Utilities Board to deal with either cessation of a disconnection in process, or perhaps more importantly, reconnection of service. It may not appear specifically in the policies and procedures as drafted.

I can tell you that the documents that we have drafted in anticipation of utilizing the disconnection procedure would provide that notification. We are not adverse and would deal with the PUB on this in ensuring that appears as one of the approved policies and procedures.

Secondly, a suggestion was made that there were areas in which the company—and I think the focus of the debate has been on Centra Gas; it does apply to some others—but that there would be certain things in which Centra had carte blanche. One that was specifically suggested was the reconnection charge which was alluded to in the policies and procedures document. That charge is in fact a charge approved by the Public Utilities Board, and again we are not adverse in the procedures area to have the appropriate language, as approved by the Public Utilities Board from time to time or something like that, inserted, because that is a charge that we do not unilaterally impose.

The third, related to the question of if this legislation passes and if, as we all hope, ultimately the bad debt expense suffered by Centra Gas and its other customers goes down, will this money be flowed through to the consumer? The answer to that is an unequivocal yes. The existing orders of the Public Utilities Board have, to put it simply, established a deferral account which pegs bad debt at a certain level. Any variance up or, hopefully, down from that will be flowed through to the consumer in the subsequent year. For example, if bad debt expense were to go down this year below the fixed level, effective January 1 that would start flowing through to the consumers. So that concern has been addressed by the Public Utilities Board, if you will, in its existing orders.

The last specific issue I wish to address relates to the exemption provided for in the legislation, to the

definition of residential premises to deal with those situations where there is a rental property for which the landlord is responsible for the account. I know concern has been raised from time to time by various parties regarding the equitable treatment and just treatment of tenants who might be in that position.

\* (2020)

The situation we find ourselves in with rental properties essentially is this, and my remarks assume the proclamation of The Residential Tenancies Act in the law, although I think they are equally applicable under the existing legislation. The difficulty is this, that the Rentalsman or director of Landlord and Tenant Affairs, as he will be known, will intervene and seize rents and cause utilities to be paid and services to be provided, if the provider of the service can disconnect it, but if he cannot disconnect it, the Rentalsman's office, or the director of Landlord and Tenant Affairs will not intervene.

The arrangement we have worked out tentatively with the Landlord and Tenant Affairs office would provide for a fairly ready dialogue between the offices that would ensure, as a matter of operating practice—and again we have no problem with enshrining this in policies and procedures—that where his office is involved, the disconnections of rental properties where the landlord is responsible will not occur.

An analysis summary as it is of some of our bad debt expense has shown we, like others perhaps in the community, have fallen victim to situations where landlords are collecting, through their rents, amounts that are intended, directly or indirectly, for utilities, but those amounts are not then being forwarded to us, but are rather being pocketed by the landlords. That is primarily the evil or mischief, if you will, that this provision is intended to address.

In closing, may I just say that we think, we hope, we truly believe that the legislation, as it is drafted, together with the policies and procedures which we anticipate the PUB would adopt for use by Centra, address the very valid people concerns that have been raised. We share those concerns, and that is very much the issue. Yes, you have heard, both from us and from others, the issue of intercustomer equities on who should pay for other people's bad debts. Those are very real concerns and I do not mean to belittle them. We do acknowledge the

people concerns and think that the legislation, as drafted, addresses them. Thank you, Sir.

**Mr. Chairman:** Thank you, Mr. Brett. Are there any questions?

**Mr. Lamoureux:** Mr. Brett—and the same thing for Ms. Barker—we appreciate very much you taking the time, given the little notice that you have had, to come here to make the presentation.

I just wanted to make it very clear for myself. From what I understand a landlord that is negligent and responsible for paying a gas bill, the tenant's gas at no point in time would be turned off. Is that fair to say?

**Mr. Brett:** If I understood the premise, Mr. Lamoureux, in circumstances where a landlord is responsible for payment of the utilities and where Landlord and Tenant Affairs has become involved—and they will be involved because we have to notify them of any possible disconnection—as a matter of policy, there will not be disconnections of those premises.

The problem is the legislation has to make provision for the right to do it or Landlord and Tenant Affairs lacks the right to get involved. The office of Landlord and Tenant Affairs, as it has been explained to me, then gets into a fight between its office and the landlord's as to his right to be involved at all.

**Mr. Lamoureux:** So suffice to say then, tenants who does not pay their gas bills has no fear of their gas being discontinued.

**Mr. Brett:** A tenant, Mr. Lamoureux, who bears responsibility for the gas bill will be a residential customer like any other residential customer. The winter prohibition, if you will, will apply to that consumer, and the normal lock-off policies and procedure will apply to him, regardless of whether that property is rental or owned.

\* (2025)

**Mr. Jim Maloway (Elmwood):** Mr. Brett, I had a question concerning the arrangements that were made regarding your overdue accounts as far as a small debts court system was concerned. Normally the small debts court system is viewed adequate to handle problems like these. What sort of problems did you encounter that caused this to be so onerous?

**Mr. Brett:** I think we have encountered two kinds of problems, Mr. Maloway, one is sheer numbers on

our overrunning the small claims court system. We basically have a courtroom devoted to us as it is, and there are hundreds monthly. Therefore, there is a timing question because of the numbers problem.

The second is, judgments are just that. They are judgments. They are not necessarily converted into dollars. What has happened with respect to hundreds of consumers, we have judgments against them—one, two, three judgments against them perhaps. They still have not paid, and in circumstances now where they may never be able to pay.

**Mr. Maloway:** Mr. Chairperson, having said that, would it not have made sense to perhaps take the people to court at an earlier date before their arrears got to the levels that they were? I looked in the book the other day, the digest, just yesterday. They had a restaurant on Sherbrook Street, \$9,000 in arrears. Now would it not have made some sense from a management point of view to decide that was a nonpaying account perhaps when it hit \$2,000 or \$3,000, and to take it to court then rather than let it go up to \$9,000? It seemed like an awfully high level to let that account go before you finally decide that these people are not going to pay.

**Mr. Brett:** Mr. Maloway, I do not know the specifics with respect to that account. I do not know how fast it could build up to that level. Some restaurants can build up to \$9,000 in a matter of months.

Typically we would not be waiting that long to bring certain actions in court. More typically, in the digest, certainly for Small Claims Court, they range in the \$700 on up and laterally up category, but again the timing of the thing means these things just have to be cycled through. When their turn comes up, they are sued upon.

**Mr. Maloway:** Mr. Chairperson, so are you saying that you did not change your procedure at all, that you followed a standard procedure then in dealing with delinquent accounts, and when either the amount of days was used up in the account or the amount was such that you felt this was a nonpaying account, that you took immediate action and took them to court?

**Mr. Brett:** We have changed the procedure. This is not directly responsive, but we have changed the procedure in this sense, that as this problem grew our criteria for commencing lawsuits changed. For example, now we try and do an assessment of

whether the person is judgment-proof or not with whatever information we can obtain before we even bring the action. If it looks like the person is judgment-proof, we will not bother bringing the action. At least now we will move on to a higher priority case.

At one time the way the billing system operated we were billing the top, or we were suing the top—pick a number—five percent, whatever, from each billing cycle, regardless of the amount of money owed. What we found as we got further into it, on analysis, was that some cycles are different than other cycles and the top five percent in cycle one may cause lawsuits against somebody owing \$1,000, whereas the top five percent lawsuits in Cycle Two, the cut-off point might be \$2,000. As long as we had \$2,000 accounts owing it did not make sense, subject to my earlier comment, to go after people with \$1,000. So those kinds of changes have been made on an ongoing basis. The limitation on actual numbers that the Small Claims Court can process is still there.

\* (2030)

**Mr. Maloway:** Mr. Chairperson, could you offer an explanation from a gas company point of view as to how the misunderstanding developed in January when you sent out your gas bills, these little blue cards here, conveying to people that the delinquent accounts were going to cost each individual \$10 a month, pardon me, \$90 a year. The impression people got was that it was going to be \$10 a month because your fixed charge became separated out in the bill, and for some reason people did not multiply 10 by 12 and get 120. They got 90, and there was a lot of confusion there. I think people around this room got a lot of phone calls, and I think a lot of us look to you for an answer as to why all this happened.

**Mr. Brett:** Would you mind terribly if I looked at that card before I responded, because it has been some time since I have looked at it?

**Mr. Chairman:** I would like to remind all committee members that if at all possible we keep our comments and our questions as closely related to the bill as possible.

**Mr. Brett:** Mr. Maloway, of course, as you pointed out, the \$90 a year alluded to in this "You ought to know" blue card had nothing to do with the what became almost infamous fixed charge, which is just that, a minimum charge each month on account of

recovery of Centra expenses. The two became linked in the consumer's mind for reasons sort of beyond our control.

Our explanation has been in the past the \$90 was intended to be an indication of where, if left unabated, this was leading over the course of 1991. I think an explanation with any greater detail than that will be sufficient to put me, at least, right back in the same pickle everybody had been in back in February, but that was the intention, was highlighting the problem and showing we are heading towards far more serious dollars than are involved now.

**Mr. Maloway:** Mr. Chairperson, well, my final question then is why, if that is the case, did you admit when you went before the Public Utilities Board that in fact the true cost for overdue accounts was about \$35 or \$36 then when this clearly indicates \$90?

**Mr. Brett:** I think what I indicated, Mr. Maloway, was that was an attempt at indicating where this charge was going if the situation was left unresolved either at the PUB level, in terms of what it could do, or at the legislative level, in terms of what is within your authority. The \$35, as I understand it—I have also heard \$29—was the actual charge at that time and subsequent to the board order. If you divvied up that portion of our total revenues attributable to bad debt expense and associated costs, that would be the amount per customer that resulted.

**Mr. Chairman:** Thank you, Mr. Brett. Did the minister responsible for Bill 44 have an opening statement?

**Mr. Lamoureux:** Mr. Chairperson, I was going to ask the committee if the committee would consider meeting once again tomorrow in case there are any presenters who in fact were wanting to make presentation?

**Mr. Chairman:** Well, Mr. Lamoureux, as you are well aware, the normal procedure at consideration of bills is to, at the beginning of the considerations, allow the public to come in and make presentations. I believe that we have heard the public that were here and indicated they wanted to make presentations. I think we have made allowances for that. We will proceed to consider this bill clause by clause as soon as those presenters are finished.

Mr. Brett, is there something further that you would like to say?

**Mr. Brett:** No, thank you, Sir.

**Mr. Chairman:** Thank you very much, Mr. Brett.

Madam Minister, is there an opening statement that you would like to make at this time?

**Mrs. McIntosh:** Thank you, Mr. Chairman. Just a one-sentence opening statement to indicate that I am very pleased to have this bill in committee. I do believe this bill has two major components that I would like to emphasize before we begin discussions. Those two components are fairness for the good bill-paying customers, and protection for those who genuinely and truly are having difficulty meeting their debts.

**Mr. Chairman:** Thank you very much, Madam Minister. Did the spokespeople for the first opposition want to make an opening statement?

\* (2035)

**Mr. Maloway:** Mr. Chairperson, I too will keep mine very brief and simply say that we have several amendments, three or four, that I hope to introduce at the amendment stage when we go through clause by clause. I will certainly be making lengthy speeches if necessary at that time, and on third reading in the two possible opportunities we have to do that, which would be tomorrow and next Wednesday which would be the last two possible days that we could have before the deadline.

**Mr. Chairman:** Thank you very much.

**Mr. Lamoureux:** Mr. Chairperson, I would like to take this opportunity to express a concern that we in the Liberal Party have, and a disappointment in the sense of what has happened today. In fact, earlier this year we had an issue, that being the gas and the termination of gas, the whole question of delinquent accounts, and it raised a lot of concern from a great number of the public. In fact, in my particular constituency, it is fair to say there was only other issue that has been before me, Meech Lake, where I had a greater number of calls.

On the Centra Gas issue, if you will, I had a large number of calls, and a lot of concern was expressed. In that respect, when it came up for second reading, the Liberal Party took the position that we wanted to see this bill go into committee. In fact, weeks ago we had suggested that this bill deserves speedy passage through this Legislature, and the Minister of Consumer and Co-operative Affairs (Mrs. McIntosh) is well aware of that. In fact our critic, Mr. Gaudry, who was hoping to be here this evening, was unable to make it because of the notice that was given to him this evening.

We find that there are numerous groups that were wanting to present to the committee. For example, the Manitoba Anti-Poverty association had indicated to us that they were wanting to speak but unfortunately their annual general meeting was this evening.

We had agreed to allow it to go to the committee stage a couple of weeks ago. We were hoping that it would go back then. Rather, the New Democratic Party stood the bill on several occasions, speaking and filibustering the bill. Then this afternoon we find that the New Democratic Party along with the Conservative Party decided to call the committee for this evening, thereby denying the opportunity for other outside organizations to be able to comment on the bill.

Mr. Chairperson, with all due respect, this is an issue that deserves the public to have the input, and we feel that outside organizations—such as what Ms. Barker had pointed out, that given short notice, she was unable to prepare any type of speech.

**An Honourable Member:** You have to register.

**Mr. Lamoureux:** Mr. Chairperson, I understand the New Democrats are very sensitive to this but—

**Mr. Chairman:** Order, please.

#### Point of Order

**Mr. Maloway:** Mr. Chairperson, the normal route for people to follow is to register with the Clerk. Any organization that is aware of a bill coming in for the last few months has to register their name with the Clerk, like they have had to do for the last 100 years. Then, as soon as a committee hearing is scheduled, they get notified. On this bill, not one person registered, not one organization.

**Mr. Chairman:** Thank you, Mr. Maloway. Mr. Lamoureux, you may continue.

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**Mr. Lamoureux:** Mr. Chairperson, I do not believe it was in fact a point of order. I would suggest to Mr. Maloway that had he been checking with different organizations such as the Manitoba Anti-Poverty association, one association that the New Democratic Party believes that they work along with, that they too wanted to make presentation to this particular bill.

Ms. Barker, in her own opening remarks, made reference to the short notice—and others, who



would want to be able to partake. There were constituents of mine who, had the meeting been called, whether it was tomorrow or Monday, should have been able to speak, to be able to put their comments on the record.

\* (2040)

I think given the circumstances, given what the Liberal Party has been pushing for, the speedy passage of this bill, that it was inappropriate of the government and the NDP party to agree to have this bill come to committee, thereby denying an opportunity for others.

The member for Elmwood (Mr. Maloway) says that they have to register. They do not have to register in order to speak. -(interjection)- They do not have to register to speak; they can come here at any time -(interjection)- Well, the New Democratic Party the other day was saying that they were going to keep this bill in second reading until July 7. Consistency is important.

So, Mr. Chairperson, on that note—

**Mr. Chairman:** Order, please.

**Mr. Lamoureux:** Thank you, Mr. Chairperson, we will go into the bill. The Liberal Party's position has not changed on the issue; we do want to see the bill passed. We just find that it is unfortunate that the Government House Leader (Mr. Manness) chose to call the meeting without giving minutes or appropriate notice to those that would have been interested in participating in the debate.

**Mr. Chairman:** Mrs. Render.

**Mrs. Shirley Render (St. Vital):** That is okay, I will let my comments go if we are going in.

**Mrs. McIntosh:** Mr. Chairman, just in response to Mr. Lamoureux's remarks, I would like to indicate, first of all, that I did very much appreciate the readiness with which the critic from the Liberal Party accepted my invitation to come and go through the bill, his willingness to support the bill and to speak to the bill at an early opportunity. I very much appreciate that and the thoroughness with which the Liberals did pursue this bill.

I regret that there was short notice. The House leader, in attempting to speed the passage, found this to be the earliest available opportunity and sought to take advantage of that so that we could meet the July 7 deadline. While I regret that my Liberal critic cannot be here, I ask for your

understanding and support and look forward to your dialogue at this table.

**Mr. Chairman:** Thank you. Are you ready to proceed now, clause by clause? During the consideration of a bill, the Title and the Preamble are postponed until all other clauses have been considered in their proper order by the committee. Are we agreed to that? Agreed.

Do all members of the committee have copies of the bill? Could we distribute them, please?

Clause 1, C.C.S.M.c. P280 amended—pass.

Moved by Mr. Maloway

THAT the proposed subsection 104.1(7), as set out in section 2 of the Bill, be amended by adding the following after clause (e):

(f) under what special circumstances the supply of a product or the rendering of a service to shut-ins and persons with physical disabilities may be discontinued.

**(French version)**

Il est proposé que le paragraphe 104.1(7) énoncé à l'article 2 du projet de loi soit amendé par adjonction, après l'alinéa e), de ce qui suit:

f) les circonstances spéciales dans lesquelles la fourniture d'un produit ou d'un service aux personnes confinées à la maison ou qui ont un handicap physique peut être interrompu.

**Mr. Maloway:** Mr. Chairperson, committee members here, if you refer to the bottom left-hand corner of page 2 of your bill, under "List of conditions and procedures," it outlines the manner of giving notice and requirement of length of notice and so on. The proposed amendment would be (f) under (e). So where you have the content and frequency of reports, we would have section (f): under what special circumstances the supply of a product or the rendering of a service to shut-ins and persons with physical disabilities may be discontinued. The reason for this amendment has to do with the possibility of street people or people with disabilities of any type, be they blind or deaf, be found in a position where the gas gets cut off and they end up freezing and dying as a result.

None of us here want to live with that sort of possibility hanging over our heads. None of us want to, in any way, feel responsible for somebody dying because of that situation. So we wanted to put in what we feel is a little extra protection, special consideration for people like the homeless, like the

blind or deaf or physically disabled people who may not read the newspapers, may not in fact be aware of what is going on. We are talking about maybe a half a percent of the people here, but nevertheless, it is that one person we are looking out for.

**Mr. Chairman:** Shall the amendment pass? All those in favour, indicate by saying aye. All those opposed, indicate by saying nay. In my opinion, the Nays have it.

**Mr. Maloway:** Mr. Chairperson, I would request a recorded vote on that vote.

**Mr. Chairman:** A count-out vote has been requested.

**A COUNTED VOTE** was taken, the result being as follows:

Yeas 4, Nays 6.

**Mr. Chairman:** I declare the amendment defeated.

**Mrs. McIntosh:** Yes, Mr. Chairman, I would just like to indicate for the record that the principle behind this amendment is not disagreed with by this side, but I do believe that it is already covered sufficiently under 104.1(8). I believe that covers that situation sufficiently and, therefore, the amendment is redundant.

**Mr. Chairman:** I understand that there is another proposed amendment. Moved by Mr. Maloway:

THAT the proposed section 104.1, as set out in section 2 of the Bill, be amended by adding the following after subsection 104.1(8):

#### **Application to the board**

**104.1(8.1)** When a person who is supplied a product or service by a public utility applies to the board for an order under subsection (8), the board shall ensure that it hears and determines the matter within one month of receiving the application and shall, if there is a potential threat to life or health, make an order under subsection (8) immediately.

#### **Disputes as to payment**

**104.1(8.2)** If there is a dispute as to the payment of a rate, toll, fare or charge between the owner of a public utility and a person who is supplied a product or service, either the owner or the person supplied the product or service may apply to the board to resolve the dispute and the board may make any order respecting payment or the supply of the product or service that it considers appropriate.

**(French version)**

Il est proposé que l'article 104.1 énoncé à l'article 2 du projet de loi soit amendé par adjonction, après le paragraphe 104.1(8), de ce qui suit:

#### **Demande à la Régie**

**104.1(8.1)** Lorsqu'une personne à qui un produit ou un service est fourni par un service public demande à la Régie de rendre une ordonnance en application du paragraphe (8), cette dernière entend l'affaire et rend une décision dans le mois qui suit la réception de la demande et, s'il existe un danger pour la vie ou la santé, rend sans délai l'ordonnance visée au paragraphe (8).

#### **Litige**

**104.1(8.2)** Le propriétaire d'un service public ou la personne à qui le produit ou le service est fourni peut, en cas de litige quant au paiement du taux, du tarif ou du prix, demander à la Régie de régler le litige. La Régie peut rendre l'ordonnance qu'elle juge appropriée concernant le paiement ou la fourniture du produit ou du service.

\* (2050)

**Mr. Maloway:** Mr. Chairperson, by way of explanation, the first part of the amendment tightens up the requirements that the board would have for dealing with appeals. Essentially, right now there is no time limit for dealing with appeals. What we would like to do, in a case where it is a situation involving life and death, we would like to require the board to deal with it immediately. That is not currently in there.

Number 2, on all other appeals of the board, in all of the other criteria, there is also no limitation. We would like to put a limit of one month on all appeals to the board. We feel that those two limitations would be viewed as fairly reasonable by the public. The second part of the amendment deals with the possibility that a customer may dispute how much is owed to the gas company. There is nothing in the regulations as we see them right now that allows for a dispute of the amount owed.

Most of you are familiar with, at some time in your life when you have received a bill for a product or service you bought for maybe \$800 and, in fact, you thought it should have been \$600. The people you bought the product or service from may insist upon you paying the \$800 but you believe that it is a \$600 bill that you owe. There should be a provision for somebody who honestly disagrees with the amount of the bill to refer that to the board so that the board can decide: either the gas company is right or the

individual is right; pay whatever it is. Does that make sense?

**Mrs. McIntosh:** Mr. Chairman, under the PUB Act the board has the obligation to deal with complaints, and they have the obligation to deal with them in a timely fashion. The Public Utilities Board has always agreed that decisions must be expeditious. There may be some complaints that come or some appeals that come to the board that must be dealt with that day. There may be others that can take two months, but the PUB does deal with them in a timely fashion and will continue to deal with them in a timely fashion.

I think putting a specific time frame—while I appreciate the intent here, a specific time frame could deny justice in some circumstances if the board is forced to rush through evidence, rush through, in certain circumstances, their discussions and their deliberations on the circumstances have to be taken into consideration. I do not believe this amendment is necessary. It could in fact have an adverse effect in certain situations, although I do appreciate the intent, which is that you would like to see the appeals dealt with in a timely fashion. They will be done in a timely fashion.

**Mr. Maloway:** Mr. Chairman, well, I am not at all convinced that, in fact, is what is going to happen. The minister has already indicated that there will be two people hired by the PUB to carry out the appeals. At this point, we have no idea whether those two people will be sufficient in any sense. A timely fashion, when there are only two people and enormous amounts of appeals to be made, could in fact mean that a person in a life or death situation may not have their appeal dealt with for days, when in fact hours would be more appropriate.

So I think the proper approach is to tighten it up on the outside and say, if it is a life and death situation it is dealt with immediately, and all others, give them a month. Then, you can adjust your personnel within those confines. -(interjection)- That is right. In other words, if you have too many people who have to be dealt with on an immediate basis, then hire a whole lot of people to deal with those and then remove the people afterward, but have those outside guidelines.

**Mrs. McIntosh:** Mr. Chairman, I would just like to indicate that we are, in fact, planning to add, not two, but three people to the PUB's component. Appeals will be held, not just by those people, but also by

board members. I, again, appreciate the intent but I think that the number of people who will be hearing appeals will, indeed, be satisfactory.

**Mr. Daryl Reid (Transcona):** Mr. Chairperson, as I spoke in the House on this bill, I had several concerns that I raised and that are a matter of record, some of the ones that we talk about here, right now, in the appeal process and a process whereby it would be set up to protect the people who are least able to defend themselves.

I want to bring to the committee's attention here, tonight, an example that happened to me and to members of my constituency right in the city of Winnipeg here, today. Those constituents of mine, a woman and her husband, had their Hydro service terminated with no notice given to them, even though their bill was in arrears and only for an amount of \$47.99. Now, Hydro came along and they pulled the meter out of the wall of their home and left them without service. The only reason that this family knew that this happened was that one of them happened to be home at the time and saw the Hydro disconnect the service.

Upon checking with Hydro, they were very reluctant to divulge any information to me as to what their process is of notification and/or appeal. They did not indicate to this family that there was a possibility for them to make payments, even though this family had been making payments to bring down the arrears on their bill and had made payments on a biweekly basis over a period of two to three months and had brought their bill down to that level and, then, had their service terminated.

So I am very concerned that if we do not have this process of these amendments that are proposed here included to protect the people, to allow them to have some recourse, some process of appeal, and have the opportunity for them to hear that within at least a month where it is a normal practice, in a period like we are in right now in the summer season, and in an immediate situation, in the off-season, or the winter months, where it becomes much more critical for life and health, then I think that the citizens of the community are going to suffer. As this family had the potential of suffering today as a result of the actions of Hydro, I can see situations like this coming up and occurring with any utility that does not have this type of provision in there to protect it.

That is why, in the House, I raise these concerns. Of course, it came to pass today, very timely in its fashion, unfortunate though it is. That is why I support these amendments as they are shown here today.

\* (2100)

**Mrs. McIntosh:** Again, Mr. Chairman, I appreciate the intent, and I think the members will find that the legislation meets the intent that they put forward.

I would like to address the three points that were put forward in the Hydro example given. The member indicated, first of all, that Hydro gave no notice. Of course, with this policy that we are proposing, notice will be given, not just once but more than once, and clear notice. The member also indicated that Hydro had pulled out the meter. There is no provision for digging up the pipes or anything like that in this legislation. The third provision that you said was not supplied to this particular constituent of yours was that the process for appeal was not given to customers. With our particular legislation, the Public Utilities Board review process, when the disconnection notice goes out so will the indication that appeal can be made and to whom the appeal can be made. So there is ample communication. The process is very open. The process is there for all to see, and will be drawn to the customer's attention.

**Mr. Chairman:** Thank you, Madam Minister. Shall the amendment as proposed by Mr. Maloway pass?

**Mr. Reid:** Mr. Chairperson, I would like to ask the minister a question on this, if I might, talking about the opportunity—for those who may be in a position to have their service cut off, what type of an appeal process or notification is it that is going to go to these people to make them aware of, first off, how they can appeal and where they appeal to? In other words, the communication that they will have or be able to have with certain departments or people.

**Mrs. McIntosh:** Mr. Chairman, all members of the Legislature received the Public Utilities Board policy which outlined the process for notifying customers of possible disconnection and then for sending out the disconnection notices. So I will not go through that because I know you are familiar with it. What you may not be familiar with, because it has just been recently put together by the Public Utilities Board, but as a part of their ongoing review of this process they have devised a proper appeal procedure. I think this may address the needs that

were identified in the amendment because I think this gets at what your concern was, and that is that the Public Utilities Board will receive reports from the gas utilities according to Bill 44. The board will review those reports and follow-up on any deficiencies in the report making—you know, do they need more information than what is in that report. They will make that report to a single PUB member, and then make a recommendation as to whether or not they should continue with the disconnection, which is a worry phrase, but this is in the case of the winter lock-off which I think is the one that you are concerned about in your comments.

The board member, that is the PUB board member, will report and make a decision with respect to the continuance of disconnection. Once that is done, the board member's decision will be communicated to the gas utility. The board member will then say to the gas utility, you must reconnect this customer, in which case it will be reconnected immediately. The board member may say, you do not have to reconnect this customer because we have discovered he has, you know, however much money and can well afford to pay the bill but has just chosen not to. At that point a registered letter with notification that the reconnection is not being recommended will be sent to the customer with an indication of the fact that they are eligible to appeal, to whom they can appeal and where they can appeal in that notice.

**Mr. Chairman:** Thank you, Madam Minister. Are you ready for the question?

On the proposed motion of Mr. Maloway to amend Section 104.1(8.1) and Section 104.1(8.2) with respect to both English and French texts, all those in favour, say yea. All those opposed, say nay. I would indicate the Nays have it.

**Mr. Maloway:** Mr. Chair, I would like a recorded vote on this.

**A COUNTED VOTE** was taken, the result being as follows:

Yeas 4, Nays 6.

**Mr. Chairman:** I declare the amendment defeated. Now, shall Clause 2 pass? I understand there is an amendment going to be made by the minister.

**Mrs. McIntosh:** Yes, Mr. Chairman, this is simply a technical change. It is a grammatical error which we wish correct, to change "are" to "is" so that we have the singular.

**Mr. Chairman:** Order, please. We will wait for the distribution of the amendment.

Moved by the Honourable Mrs. McIntosh:

THAT the proposed new subsection 104.1(11) of The Public Utilities Board Act, as enacted by section 2 of Bill 44, be amended by striking out "are not regulations" and substituting "is not a regulation".

**(French version)**

Il est proposé que le paragraphe 104.1(11) de la Loi sur la Régie des services publics, édicté par l'article 2 du Projet de loi 44, soit amendé par substitution, à "et les rapports exigés en application du

paragraphe (9) ne constituent pas des règlements", de "ne constitue pas un règlement".

All those in favour of the amendment, say yea. All of those opposed, say nay. I declare the amendment passed.

Section 2 as amended—pass; Section 3—pass; Clause 2, as amended—pass; Preamble—pass; Title—pass. Shall the Bill as amended be reported—pass. Is it the will of the committee that I report the bill as amended? Agreed.

The time now being 9:06, committee rise.

**COMMITTEE ROSE AT: 9:06 p.m.**