

MINISTER RESPONSIBLE FOR MANITOBA HYDRO

Legislative Building Winnipeg, Manitoba, CANADA R3C 0V8

JAN 1 3 2011

Mr. Victor H. Schroeder, Chairman, Board of Directors, Manitoba Hydro P.O. Box 815 Stn. Main Winnipeg MB R3C 2P4

THE PUBLIC UTILITIES BOARD Exhibit No. MH- 162 - 2011 e PA BETARY.

Dear Mr. Schroeder,

Further to our discussion about the regulatory processes to be applied to major new hydro generation projects, I can advise that in addition to review and licensing under applicable provincial statutes (including, but not necessarily limited to *The Environment Act* and *The Water Power Act*), it is the provincial government's intention to assign responsibility to an independent body for carrying out an NFAT (Needs For and Alternatives To) assessment of such projects. I trust this information will assist Manitoba Hydro in preparing for regulatory review of such projects as Keeyask and Conawapa.

Sincerely,

, rehuk

Resann Wowchuk, Minister