

Manitoba Hydro Undertaking #40

Manitoba Hydro to advise the Board if there were other factors that contributed to net loss in net income in 1993.

Manitoba Hydro confirms that the main factor contributing to the net loss in 1993 was the progressive placing in service of the Limestone Generating Station. The following quote taken from the Corporation's 1993 annual report provides further context:

“Manitoba Hydro incurred a net loss on operations of \$24.0 million for the year ended March 31, 1993, compared to a net income of \$17.7 million for the previous fiscal year. The net loss was expected in the financial plans of the utility and was largely due to the progressive placing in service of Limestone Generating Station with the final units being utilized primarily for capacity purposes. The financial impact of Limestone was a normal consequence of adding a large new source of electricity supply to the system. Revenues attributable to Limestone will increase substantially with the commencement of the 500 megawatt sale to Northern States Power in May 1993.”