

Manitoba Hydro Undertaking #92

Manitoba Hydro to provide the description of Prime-1 and what is on either side of it (Reference is Moody's Investors Service - MH Exhibit #69).

The following information is excerpted from page 6 of “*Rating Symbols and Definitions*” as published by Moody’s Investors Service in January 2011¹:

Moody’s employs the following designations to indicate the relative repayment ability of rated issuers:

P-1	Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.
P-2	Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.
P-3	Issuers (or supporting institutions) rated Prime-3 have an acceptable ability to repay short-term obligations.
NP	Issuers (or supporting institutions) rated Not Prime do not fall within any of the Prime rating categories.

Note: Canadian issuers rated P-1 or P-2 have their short-term ratings enhanced by the senior-most long-term rating of the issuer, its guarantor or support-provider.

An issuer’s short-term rating is generally derived from its long-term rating as shown below:

SHORT-TERM VS. LONG-TERM RATINGS

LONG-TERM RATING	SHORT-TERM CP
Aaa Aa1 Aa2 Aa3 A1 A2 A3	Prime-1
Baa1 Baa2 Baa3	
Ba1, Ba2, Ba3 B1, B2, B3 Caa1, Caa2, Caa3 Ca, C	Not Prime

¹ Available online at: http://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC_79004.