

Manitoba Hydro Undertaking #104

Manitoba Hydro to indicate whether the CPJ Addendum was brought to the attention of the Audit Committee. When did MH's Audit Committee first become aware of a possible change in the BiPole III estimate from \$2.2 billion to a higher number?

The CPJ Addendum was not brought to the attention of the Audit Committee as the Audit Committee is not part of the approval process for CPJ's. In any event, the Executive Committee had not approved the CPJ referenced in PUB Exhibit #19 and, therefore, it would not have been appropriate to bring the amount of this CPJ to the attention of the Audit Committee. However, the Audit Committee does review the consolidated Capital Expenditure Forecast as an integral part of its review and approval of the Integrated Financial Forecast. As part of the presentation of the Integrated Financial Forecast, management would have informed the Audit Committee that the estimate for Bipole III was under review.