

PUB/MH/PRE-ASK-15 (REVISED)

Reference: PUB/MH II-23 (a) EFT

- a) Please update PUB/MH II-23 (a) to incorporate actual 2009/10 and updated 2010/11 and 2011/12 results.**

ANSWER:

The following schedule updates PUB/MH I-23(a) to incorporate actual results for 2009/10. Please note that 2008/09 has also been restated to reflect changes in accounting standards for intangible assets. In addition, IFF10 OM&A targets have been adjusted to reflect the provision for accounting changes.

MANITOBA HYDRO
OPERATING, MAINTENANCE AND ADMINISTRATIVE COSTS BY COST ELEMENT

						(000's)				
	2004/05	2005/06	2006/07	2007/08	2008/09	Fiscal 2004/05-2008/09 Compounded Annual Growth	2009/10	2010/11	2011/12	Fiscal 2008/09-2011/12 Compounded Growth % Inc/(Dec)
	Actual	Actual	Actual	Actual	Actual		Actual	Forecast	Forecast	
<i>Labour</i>										
Wages, Salaries	\$ 320,808	\$ 332,257	\$ 344,701	\$ 359,249	\$ 380,031	4.3	\$ 407,988	\$ 415,215	\$ 424,765	3.8
Overtime	33,842	38,032	38,896	41,781	45,890	7.9	50,307	48,061	49,166	2.3
Employee Benefits	68,442	70,184	73,636	76,807	83,671	5.2	82,674	93,035	95,175	4.4
Subtotal - Labour and Benefits	423,093	440,473	457,233	477,838	509,592	4.8	540,968	556,311	569,106	3.8
EFTs (Straight Time + Overtime)	5,885	5,999	6,007	6,090	6,312	1.8	6,465	6,704	6,704	2.0
Labour & Benefits per EFT	72	73	76	78	81	2.9	84	83	85	1.7
Employee Safety & Training	5,275	3,686	3,487	3,646	4,145	(5.8)	4,623	4,747	4,856	5.4
Travel	23,534	26,212	27,729	28,331	31,812	7.8	32,435	32,963	33,721	2.0
Motor Vehicle	17,726	19,380	19,731	22,423	24,126	8.0	24,281	23,114	23,646	(0.7)
Materials & Tools	23,893	26,046	25,414	27,824	29,345	5.3	26,897	26,178	26,780	(3.0)
Consulting & Professional Fees	7,269	7,229	8,498	7,503	9,704	7.5	14,814	10,904	11,155	4.8
Construction & Maintenance Services	13,345	13,700	13,711	15,938	18,378	8.3	20,109	21,785	22,286	6.6
Building & Property Services	21,031	22,973	24,697	25,740	28,947	8.3	22,931	20,671	21,146	(9.9)
Equipment Maintenance & Rentals	9,546	10,720	11,606	11,719	13,029	8.1	14,379	13,858	14,177	2.9
Consumer Services	4,203	4,301	4,316	4,651	5,284	5.9	5,798	5,683	5,814	3.2
Computer Services	3,959	4,293	2,622	1,131	858	(31.8)	983	696	712	(6.0)
Collection Costs	5,161	6,790	7,218	5,256	5,019	(0.7)	4,599	4,542	4,646	(2.5)
Customer & Public Relations	5,223	5,585	6,493	6,665	6,901	7.2	8,155	6,014	6,152	(3.8)
Sponsored Memberships	1,149	1,012	1,187	1,192	1,465	6.3	1,325	1,267	1,296	(4.0)
Office & Administration	15,447	15,902	14,939	14,427	14,652	(1.3)	15,320	15,703	15,857	2.7
Communication Systems	1,844	1,447	1,866	1,353	1,449	(5.8)	1,772	1,603	1,640	4.2
Research & Development Costs	3,685	2,874	3,251	2,979	3,059	(4.6)	3,952	4,110	4,205	11.2
Miscellaneous Expense	2,470	2,811	2,422	3,292	903	(22.2)	1,190	1,087	1,112	7.2
Contingency Planning	-	-	-	-	-		-	5,417	3,921	
Operating Expense Recovery	(18,105)	(19,205)	(20,570)	(23,314)	(21,519)	4.4	(21,580)	(16,497)	(16,670)	(8.2)
Total Costs	569,749	596,229	615,849	638,594	687,149	4.8	722,951	740,156	755,558	3.2
Capital Order Activities	(157,730)	(170,458)	(176,992)	(192,338)	(203,077)	6.5	(224,298)	(235,040)	(239,741)	5.7
CICA Accounting Changes*	-	-	-	-	5,000		9,000	9,000	9,000	21.6
Provision for Accounting Changes	-	-	-	-	-		-	18,000	13,500	
Capitalized Overhead	(58,174)	(62,028)	(61,887)	(67,289)	(65,743)	3.1	(69,151)	(71,021)	(72,447)	3.3
Operating and Administration Charged to Centra	(55,232)	(53,085)	(53,505)	(56,270)	(59,042)	1.7	(60,951)	(63,400)	(64,000)	2.7
OM&A Attributable to Electric Operations	\$ 298,613	\$ 310,658	\$ 323,465	\$ 322,697	\$ 364,287	5.1	\$ 377,551	\$ 397,695	\$ 401,870	3.3

* Other CICA Accounting Changes totalling \$4.6 million in 2008/09 and \$4.0 million in 2009/10 & future years are embedded within the Total Costs

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- b) Please provide the Compounded Annual Growth for the 2004/05 to 2009/10 and 2009/10 to 2011/12.**

ANSWER:

Please see the following schedule which incorporates actual results for 2009/10. Please note that 2008/09 has been restated to reflect changes in accounting standards for intangible assets. In addition, IFF10 OM&A targets have been adjusted to reflect the provision for accounting changes.

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OPERATING, MAINTENANCE AND ADMINISTRATIVE COSTS BY COST ELEMENT**

							(000's)			
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Adjustment per IFF10	-	-	-	-	-	-	-	-	-	-
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