

**MANITOBA HYDRO**

**2012/13 & 2013/14 ELECTRIC GENERAL RATE APPLICATION**

**UNDERTAKING PROVIDED BY: D. RAINKIE**

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**Manitoba Hydro Undertaking #94**

Manitoba Hydro to file an updated page 359 with the current presentation for IFF12. Manitoba Hydro to also provide an explanation of the difference between pages 359 and 379 from MIPUG's book of documents.

**Response:**

Please see the revised breakdown of Manitoba Hydro's cost elements as presented in MIPUG/MH Pre-ask 12. The difference in the 2014/5 fiscal year is due to a change in DSM expenditures that was inadvertently missed when filing the response to MIPUG/MH Pre-ask 12.

**MANITOBA HYDRO**  
**OPERATING, MAINTENANCE AND ADMINISTRATIVE COSTS BY COST ELEMENT**

(In thousands of \$)	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	Average Annual
	Actual	Actual	Actual	Forecast	Forecast	Forecast	% Inc/(Dec)
Wages, Salaries	\$ 407,988	\$ 425,158	\$451,925	\$476,570	\$486,101	\$ 495,823	4.0%
Overtime	50,307	50,704	54,987	56,005	57,126	58,268	3.0%
Employee Benefits	83,013	95,376	104,444	125,549	130,535	139,206	11.0%
Employee Safety & Training	4,284	3,863	3,909	4,914	5,013	5,113	4.2%
Travel	32,435	32,594	31,266	32,405	33,053	33,714	0.8%
Motor Vehicle	24,281	24,436	28,676	27,452	28,001	28,561	3.5%
Materials & Tools	26,897	28,105	26,663	27,173	27,716	28,271	1.1%
Consulting & Professional Fees	14,814	11,157	10,250	11,639	11,872	12,109	-3.1%
Construction & Maintenance Services	20,109	22,657	21,228	18,706	19,080	19,461	-0.3%
Building & Property Services	22,931	21,944	21,386	22,399	22,847	23,304	0.4%
Equipment Maintenance & Rentals	14,379	14,165	13,388	14,476	14,766	15,061	1.0%
Consumer Services	5,798	5,086	5,365	5,284	5,389	5,497	-0.9%
Collection Costs	4,599	4,497	4,034	4,347	4,434	4,523	-0.2%
Customer & Public Relations	8,155	7,905	8,093	6,849	6,986	7,126	-2.4%
Sponsored Memberships	1,325	1,917	1,608	1,081	1,103	1,125	-0.1%
Office & Administration	15,320	14,316	14,277	15,263	15,569	15,880	0.8%
Computer Services	983	1,003	861	909	927	946	-0.5%
Communication Systems	1,772	1,678	1,683	1,683	1,717	1,751	-0.2%
Research & Development Costs	3,952	3,651	2,796	3,509	3,579	3,651	-0.3%
Miscellaneous Expense	1,190	1,264	2,032	1,213	1,237	1,262	6.1%
Contingency Planning	-	-	-	(883)	(1,019)	1,783	
Operating Expense Recovery	(21,580)	(23,004)	(21,716)	(9,787)	(9,983)	(10,183)	-10.0%
<b>Total Costs</b>	<b>722,951</b>	<b>748,471</b>	<b>787,155</b>	<b>846,758</b>	<b>866,049</b>	<b>892,253</b>	<b>4.3%</b>
Capital Order Activities	(224,298)	(243,545)	(268,651)	(245,865)	(250,782)	(255,798)	2.9%
Capitalized Overhead	(60,151)	(47,336)	(53,084)	(78,284)	(81,021)	(82,641)	8.8%
Operating and Administration Charged to Centra	(60,951)	(60,644)	(62,117)	(67,300)	(68,800)	(70,176)	2.9%
Subsidiaries	2,146	6,121	7,414	6,491	6,946	7,388	
IFRS Changes	-	-	-	-	-	61,437	
Change in Wuskwatim	-	-	-	-	5,208	369	
<b>OM&amp;A Attributable to Electric Operations per Annual Report</b>	<b>\$ 379,697</b>	<b>\$ 403,067</b>	<b>\$ 410,717</b>	<b>\$ 461,800</b>	<b>\$ 477,600</b>	<b>\$ 552,832</b>	
Less:							
Subsidiaries	2,146	6,121	7,414	6,491	6,946	7,388	
Accounting Changes	11,240	30,910	34,973	75,411	78,318	136,603	
Wuskwatim	-	-	-	5,589	10,797	11,166	
<b>OM&amp;A Attributable to Electric Operations after adjusting for subsidiaries, accounting changes and Wuskwatim</b>	<b>\$ 366,311</b>	<b>\$ 366,036</b>	<b>\$ 368,330</b>	<b>\$ 374,309</b>	<b>\$ 381,539</b>	<b>\$ 397,675</b>	<b>1.7%</b>