

**PUB/MH I-22 (Revised Based on IFF12)**

**Reference: IFF11-2 – Electric Operations**

- a) **Please refile the IFF11-2 electric operations for the 20 year outlook including financial targets for each year.**

**ANSWER:**

Please note that while financial targets have been calculated based on electric operations only in the following attachment, as requested, Manitoba Hydro's financial targets apply to consolidated operations only.

**ELECTRIC OPERATIONS (MH12)**  
**PROJECTED OPERATING STATEMENT**  
 (In Millions of Dollars)

*For the year ended March 31*

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>REVENUES</b>										
General Consumers										
at approved rates	1 331	1 361	1 374	1 390	1 404	1 424	1 447	1 462	1 485	1 506
additional*	0	48	104	165	228	297	371	447	531	619
Extraprovincial	357	344	343	380	406	435	441	464	711	839
Other	14	15	15	15	15	16	16	16	17	17
	<u>1 702</u>	<u>1 768</u>	<u>1 836</u>	<u>1 950</u>	<u>2 054</u>	<u>2 172</u>	<u>2 274</u>	<u>2 390</u>	<u>2 743</u>	<u>2 981</u>
<b>EXPENSES</b>										
Operating and Administrative	455	471	544	556	567	590	601	617	639	653
Finance Expense	452	444	492	524	586	656	767	781	1 001	1 097
Depreciation and Amortization	399	430	372	391	410	447	494	508	580	619
Water Rentals and Assessments	117	116	112	112	112	112	112	113	121	126
Fuel and Power Purchased	143	166	179	191	206	221	230	231	253	264
Capital and Other Taxes	88	96	101	110	119	129	136	143	149	158
Corporate Allocation	9	9	8	8	8	8	8	8	8	8
	<u>1 664</u>	<u>1 732</u>	<u>1 808</u>	<u>1 892</u>	<u>2 009</u>	<u>2 163</u>	<u>2 349</u>	<u>2 401</u>	<u>2 753</u>	<u>2 926</u>
Non-controlling Interest	14	24	21	16	13	10	6	3	4	(3)
<b>Net Income</b>	<u>53</u>	<u>60</u>	<u>50</u>	<u>73</u>	<u>57</u>	<u>19</u>	<u>(68)</u>	<u>(9)</u>	<u>(7)</u>	<u>52</u>
* Additional General Consumers Revenue										
Percent Increase	0.00%	3.50%	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%
Cumulative Percent Increase	0.00%	3.50%	7.59%	11.84%	16.26%	20.85%	25.62%	30.58%	35.74%	41.10%
<b>Financial Ratios</b>										
Equity	25%	22%	17%	15%	14%	13%	12%	11%	10%	10%
Interest Coverage	1.09	1.10	1.07	1.09	1.06	1.02	0.94	0.99	0.99	1.04
Capital Coverage	1.09	0.89	0.77	0.90	1.21	1.37	1.11	1.53	1.49	1.61

**ELECTRIC OPERATIONS (MH12)**  
**PROJECTED OPERATING STATEMENT**  
 (In Millions of Dollars)

*For the year ended March 31*

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>REVENUES</b>										
General Consumers										
at approved rates	1 529	1 552	1 575	1 598	1 621	1 644	1 669	1 693	1 717	1 741
additional*	713	814	921	1 035	1 155	1 283	1 419	1 564	1 716	1 878
Extraprovincial	873	863	851	937	1 209	1 288	1 304	1 312	1 331	1 341
Other	17	18	18	18	19	19	19	20	20	21
	<u>3 133</u>	<u>3 246</u>	<u>3 366</u>	<u>3 588</u>	<u>4 003</u>	<u>4 234</u>	<u>4 411</u>	<u>4 588</u>	<u>4 784</u>	<u>4 980</u>
<b>EXPENSES</b>										
Operating and Administrative	667	681	696	727	741	757	775	789	805	823
Finance Expense	1 087	1 086	1 076	1 193	1 440	1 622	1 589	1 546	1 552	1 482
Depreciation and Amortization	630	637	645	690	770	828	837	849	880	893
Water Rentals and Assessments	128	127	126	134	147	151	151	151	152	153
Fuel and Power Purchased	278	292	318	281	277	291	304	318	328	341
Capital and Other Taxes	167	176	183	188	192	193	196	198	203	203
Corporate Allocation	8	8	8	8	8	8	8	8	7	7
	<u>2 964</u>	<u>3 008</u>	<u>3 052</u>	<u>3 220</u>	<u>3 575</u>	<u>3 850</u>	<u>3 860</u>	<u>3 859</u>	<u>3 926</u>	<u>3 901</u>
Non-controlling Interest	(5)	(10)	(13)	(9)	(11)	(14)	(16)	(20)	(22)	(25)
<b>Net Income</b>	<u>163</u>	<u>228</u>	<u>301</u>	<u>358</u>	<u>418</u>	<u>370</u>	<u>534</u>	<u>710</u>	<u>835</u>	<u>1 054</u>
* Additional General Consumers Revenue										
Percent Increase	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%
Cumulative Percent Increase	46.68%	52.47%	58.49%	64.75%	71.26%	78.03%	85.06%	92.37%	99.97%	107.86%
<b>Financial Ratios</b>										
Equity	10%	10%	11%	12%	13%	14%	16%	18%	20%	24%
Interest Coverage	1.11	1.15	1.19	1.22	1.25	1.22	1.32	1.44	1.53	1.70
Capital Coverage	1.63	1.75	1.91	2.21	2.80	2.47	2.60	2.77	2.88	3.80

**ELECTRIC OPERATIONS (MH12)**  
**PROJECTED BALANCE SHEET**  
 (In Millions of Dollars)

*For the year ended March 31*

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>ASSETS</b>										
Plant in Service	15 374	16 435	17 104	18 255	18 807	22 348	22 781	25 825	29 899	30 432
Accumulated Depreciation	(5 173)	(5 536)	(5 856)	(6 223)	(6 622)	(7 064)	(7 553)	(8 057)	(8 632)	(9 248)
Net Plant in Service	10 201	10 899	11 248	12 032	12 185	15 285	15 228	17 769	21 267	21 184
Construction in Progress	2 108	2 878	4 198	5 128	6 794	5 439	6 879	5 422	3 038	4 821
Current and Other Assets	1 869	1 735	1 391	1 578	1 790	2 027	1 844	1 974	2 059	1 725
Goodwill and Intangible Assets	180	165	150	134	123	113	105	98	92	88
Regulated Assets	231	225	-	-	-	-	-	-	-	-
	<b>14 590</b>	<b>15 902</b>	<b>16 988</b>	<b>18 873</b>	<b>20 892</b>	<b>22 864</b>	<b>24 056</b>	<b>25 262</b>	<b>26 456</b>	<b>27 816</b>
<b>LIABILITIES AND EQUITY</b>										
Long-Term Debt	9 428	11 199	12 741	14 614	16 304	18 077	19 972	20 739	22 062	23 412
Current and Other Liabilities	2 086	1 569	1 743	1 726	2 032	2 233	1 610	2 073	1 966	1 945
Contributions in Aid of Construction	336	345	350	355	359	369	375	382	389	396
Retained Earnings	2 442	2 502	2 295	2 368	2 425	2 444	2 376	2 368	2 361	2 413
Accumulated Other Comprehensive Income	299	287	(142)	(189)	(228)	(259)	(278)	(298)	(321)	(349)
	<b>14 590</b>	<b>15 902</b>	<b>16 988</b>	<b>18 873</b>	<b>20 892</b>	<b>22 864</b>	<b>24 056</b>	<b>25 262</b>	<b>26 456</b>	<b>27 816</b>
Equity Ratio	25%	22%	17%	15%	14%	13%	12%	11%	10%	10%

**ELECTRIC OPERATIONS (MH12)**  
**PROJECTED BALANCE SHEET**  
 (In Millions of Dollars)

*For the year ended March 31*

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>ASSETS</b>										
Plant in Service	30 962	31 525	32 212	37 906	43 040	44 544	45 284	45 838	47 824	48 551
Accumulated Depreciation	(9 876)	(10 512)	(11 157)	(11 848)	(12 618)	(13 446)	(14 284)	(15 135)	(16 016)	(16 911)
Net Plant in Service	21 086	21 013	21 055	26 059	30 422	31 098	31 000	30 703	31 808	31 640
Construction in Progress	6 576	8 048	9 200	5 077	1 364	737	1 070	1 513	464	539
Current and Other Assets	1 802	2 215	2 362	2 205	2 492	2 880	3 337	3 663	3 749	4 896
Goodwill and Intangible Assets	85	83	82	82	81	80	79	78	77	76
Regulated Assets	-	-	-	-	-	-	-	-	-	-
	29 548	31 359	32 699	33 422	34 359	34 794	35 486	35 957	36 099	37 151
<b>LIABILITIES AND EQUITY</b>										
Long-Term Debt	25 414	27 217	27 770	28 572	28 974	29 115	29 066	28 369	28 358	27 931
Current and Other Liabilities	1 520	1 293	1 771	1 325	1 436	1 352	1 551	2 001	1 310	1 726
Contributions in Aid of Construction	403	411	418	426	433	441	449	457	466	474
Retained Earnings	2 576	2 804	3 105	3 463	3 881	4 251	4 785	5 495	6 330	7 384
Accumulated Other Comprehensive Income	(365)	(365)	(365)	(365)	(365)	(365)	(365)	(365)	(365)	(365)
	29 548	31 359	32 699	33 422	34 359	34 794	35 486	35 957	36 099	37 151
Equity Ratio	10%	10%	11%	12%	13%	14%	16%	18%	20%	24%

**ELECTRIC OPERATIONS (MH12)**  
**PROJECTED CASH FLOW STATEMENT**  
 (In Millions of Dollars)

*For the year ended March 31*

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>OPERATING ACTIVITIES</b>										
Cash Receipts from Customers	1 692	1 768	1 836	1 950	2 054	2 172	2 274	2 390	2 743	2 981
Cash Paid to Suppliers and Employees	(782)	(822)	(909)	(941)	(975)	(1 020)	(1 047)	(1 069)	(1 126)	(1 162)
Interest Paid	(466)	(476)	(509)	(556)	(608)	(700)	(816)	(826)	(1 050)	(1 144)
Interest Received	28	17	24	26	31	39	41	39	35	32
	<u>472</u>	<u>486</u>	<u>442</u>	<u>478</u>	<u>502</u>	<u>491</u>	<u>453</u>	<u>533</u>	<u>602</u>	<u>707</u>
<b>FINANCING ACTIVITIES</b>										
Proceeds from Long-Term Debt	1 036	1 970	1 760	2 190	2 180	2 580	2 190	1 390	1 980	1 790
Sinking Fund Withdrawals	129	393	102	26	-	16	416	187	269	676
Retirement of Long-Term Debt	(180)	(808)	(176)	(312)	(347)	(530)	(829)	(306)	(635)	(679)
Other	(42)	(7)	(17)	(19)	(17)	(13)	(24)	(13)	(34)	(9)
	<u>943</u>	<u>1 548</u>	<u>1 670</u>	<u>1 886</u>	<u>1 817</u>	<u>2 053</u>	<u>1 753</u>	<u>1 258</u>	<u>1 580</u>	<u>1 777</u>
<b>INVESTING ACTIVITIES</b>										
Property, Plant and Equipment, net of contributions	(1 381)	(1 922)	(2 028)	(2 083)	(2 214)	(2 174)	(1 863)	(1 666)	(1 799)	(2 299)
Sinking Fund Payment	(107)	(208)	(124)	(188)	(166)	(227)	(219)	(224)	(248)	(343)
Other	(21)	(20)	(21)	(20)	(32)	(42)	(28)	(28)	(33)	(38)
	<u>(1 509)</u>	<u>(2 151)</u>	<u>(2 173)</u>	<u>(2 291)</u>	<u>(2 412)</u>	<u>(2 443)</u>	<u>(2 111)</u>	<u>(1 919)</u>	<u>(2 080)</u>	<u>(2 679)</u>
<b>Net Increase (Decrease) in Cash</b>	(94)	(117)	(62)	73	(94)	101	96	(128)	102	(195)
<b>Cash at Beginning of Year</b>	43	(51)	(168)	(230)	(157)	(251)	(150)	(54)	(182)	(80)
<b>Cash at End of Year</b>	<u>(51)</u>	<u>(168)</u>	<u>(230)</u>	<u>(157)</u>	<u>(251)</u>	<u>(150)</u>	<u>(54)</u>	<u>(182)</u>	<u>(80)</u>	<u>(275)</u>

**ELECTRIC OPERATIONS (MH12)**  
**PROJECTED CASH FLOW STATEMENT**  
 (In Millions of Dollars)

*For the year ended March 31*

	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>
<b>OPERATING ACTIVITIES</b>										
Cash Receipts from Customers	3 133	3 246	3 366	3 588	4 003	4 234	4 411	4 588	4 784	4 980
Cash Paid to Suppliers and Employees	(1 198)	(1 233)	(1 276)	(1 281)	(1 305)	(1 337)	(1 368)	(1 394)	(1 422)	(1 450)
Interest Paid	(1 115)	(1 101)	(1 108)	(1 239)	(1 490)	(1 689)	(1 668)	(1 640)	(1 661)	(1 567)
Interest Received	18	19	29	34	42	57	73	81	92	73
	<u>837</u>	<u>932</u>	<u>1 011</u>	<u>1 102</u>	<u>1 251</u>	<u>1 265</u>	<u>1 448</u>	<u>1 635</u>	<u>1 793</u>	<u>2 037</u>
<b>FINANCING ACTIVITIES</b>										
Proceeds from Long-Term Debt	1 970	1 780	990	790	390	190	190	(50)	(10)	(10)
Sinking Fund Withdrawals	156	-	-	450	-	-	60	250	700	13
Retirement of Long-Term Debt	(432)	-	-	(450)	-	-	(60)	(220)	(700)	(13)
Other	(1)	(0)	(1)	(1)	(0)	0	2	2	3	(16)
	<u>1 693</u>	<u>1 780</u>	<u>989</u>	<u>789</u>	<u>390</u>	<u>190</u>	<u>192</u>	<u>(18)</u>	<u>(7)</u>	<u>(26)</u>
<b>INVESTING ACTIVITIES</b>										
Property, Plant and Equipment, net of contributions	(2 268)	(2 018)	(1 822)	(1 553)	(1 403)	(858)	(1 054)	(977)	(918)	(781)
Sinking Fund Payment	(249)	(269)	(295)	(317)	(316)	(334)	(348)	(359)	(361)	(341)
Other	(29)	(32)	(25)	(25)	(28)	(26)	(26)	(26)	(26)	(26)
	<u>(2 546)</u>	<u>(2 319)</u>	<u>(2 142)</u>	<u>(1 896)</u>	<u>(1 746)</u>	<u>(1 217)</u>	<u>(1 428)</u>	<u>(1 362)</u>	<u>(1 305)</u>	<u>(1 148)</u>
<b>Net Increase (Decrease) in Cash</b>	(16)	393	(141)	(5)	(106)	238	211	254	481	862
<b>Cash at Beginning of Year</b>	(275)	(291)	102	(39)	(44)	(150)	89	300	555	1 036
<b>Cash at End of Year</b>	<u>(291)</u>	<u>102</u>	<u>(39)</u>	<u>(44)</u>	<u>(150)</u>	<u>89</u>	<u>300</u>	<u>555</u>	<u>1 036</u>	<u>1 898</u>