

MANITOBA HYDRO

2012/13 & 2013/14 ELECTRIC GENERAL RATE APPLICATION

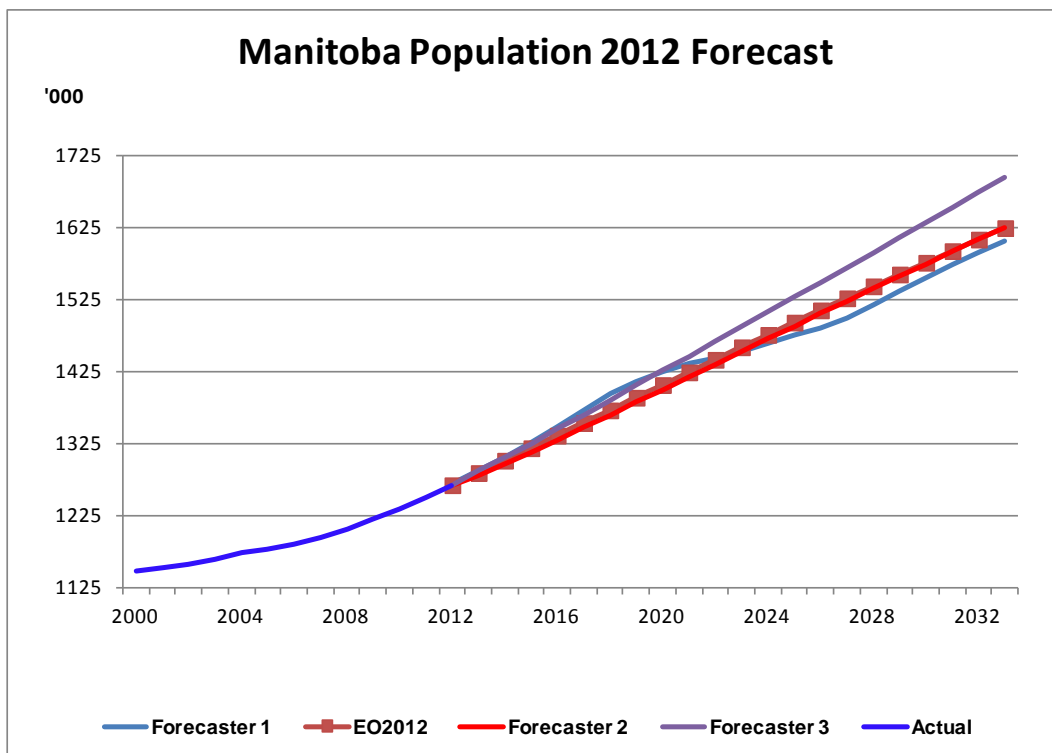
UNDERTAKING PROVIDED BY: L. MORRISON

Manitoba Hydro Undertaking #11

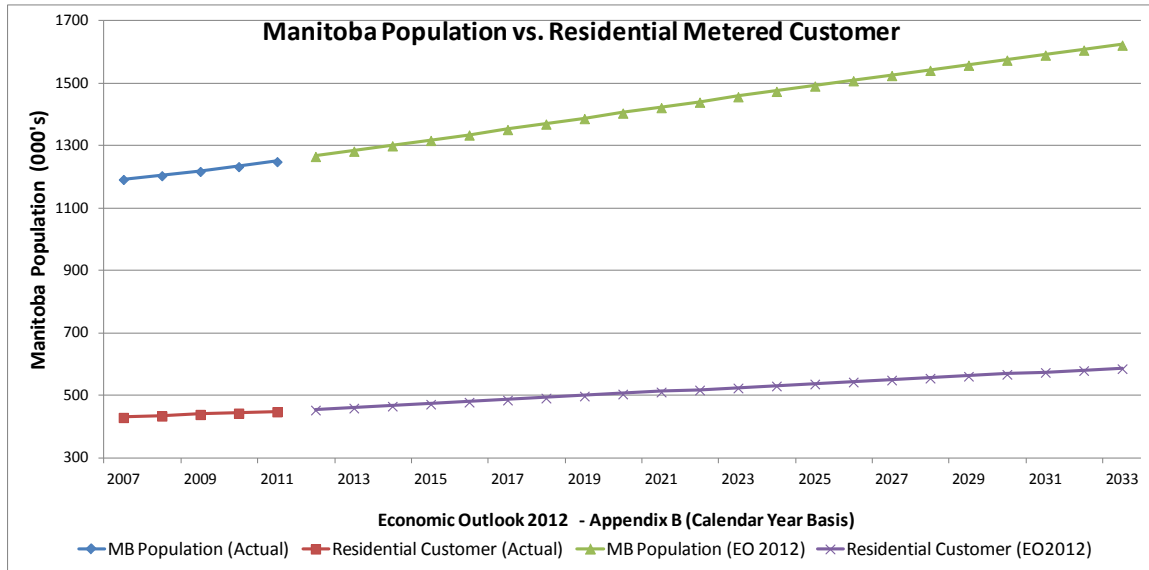
MH to determine whether it can provide its purchased forecasts for population growth on the record. If so, provide the information in a way that the PUB can see what the forecasters numbers were and what population growth number MH settled on. MH to also look at what net immigration was assumed and provide a comparison of the actual population growth and the increase to MH's customers for the last 5 years.

Response:

The following chart presents Manitoba Hydro's population forecast, as shown in Appendix B of Economic Outlook 2012, compared to the forecasts purchased by Manitoba Hydro. Economic Outlook 2012 was filed with the submission for Interim Rates Effective September 1, 2012 as Attachment 4.

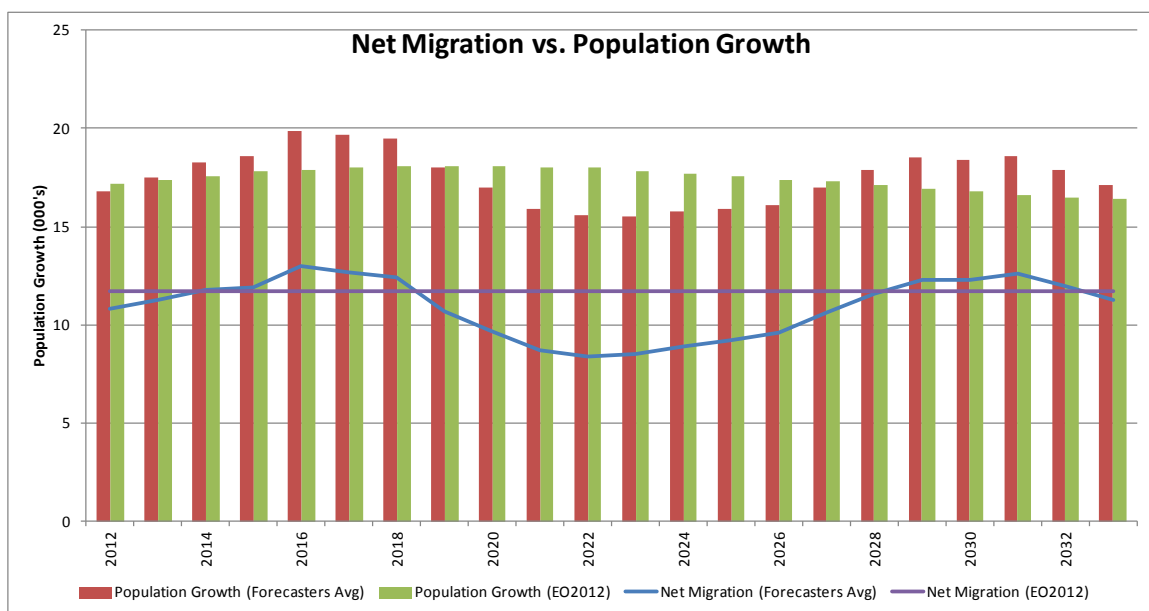


The Manitoba Residential Basic customer forecast is derived from the Manitoba Population using a forecast of people per household of approximately 2.8. The resulting Residential Basic customer forecast is depicted in the figure below.



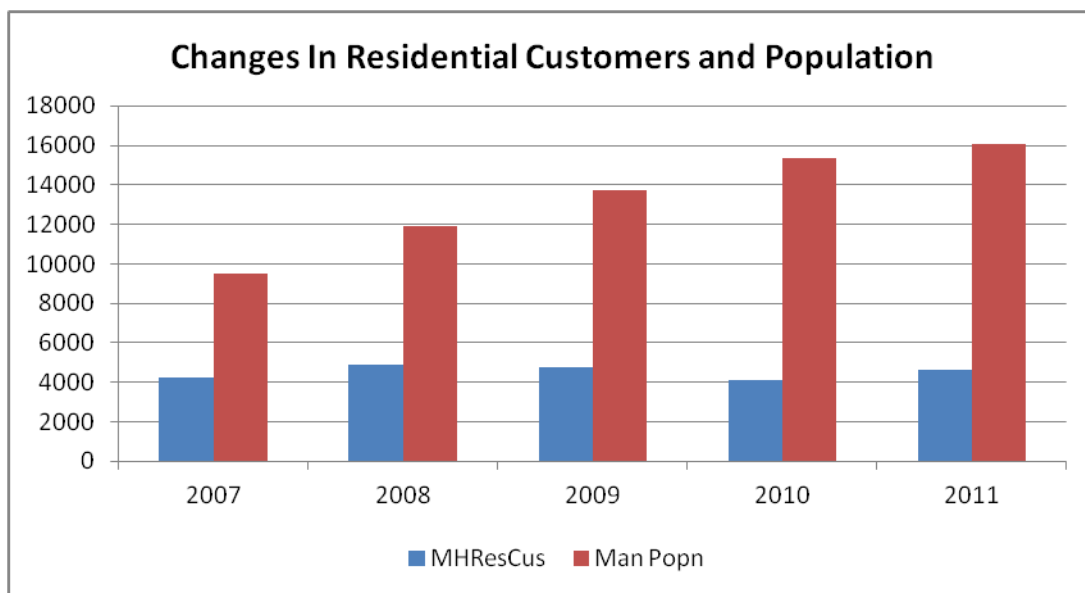
Manitoba population in the above chart is as of July 1st each year, and residential metered customer numbers are the average from January to December for the year and correspond to Appendix B in EO2012. The Economic Outlook also presents population on a Fiscal Year End (March) basis in Appendix A.

The following chart shows the average population growth forecasted in Manitoba and the net migration assumed in EO2012.



Manitoba Hydro’s forecast of population growth assumes a less volatile year-to-year increase across the years of the forecast compared to the independent forecasters. Net migration is assumed to be constant, eliminating variability as estimated by the forecasters.

Actual population growth in Manitoba compared to the increase in Manitoba Hydro’s customers over the past five (5) years is shown below.



Additional information about Manitoba’s historic population and Manitoba Hydro’s population forecast is presented on page 8 of the 2012 Economic Outlook.