

MANITOBA HYDRO

2012/13 & 2013/14 ELECTRIC GENERAL RATE APPLICATION

UNDERTAKING PROVIDED BY: L. MORRISON

Manitoba Hydro Undertaking #60

Manitoba Hydro to file its non-utility generation policy.

Response:

Manitoba Hydro's Non-Utility Generation Policy is as follows:

1. Sale of Independent Power to Manitoba Hydro

Manitoba Hydro will encourage existing and potential customers to install Non-Utility Generation (NUG) in Manitoba. All concerned parties including the NUG Owner and the NUG must meet and comply with applicable statutory requirements, including but not limited to, required licenses, Orders-in-Council, permits and approvals.

The NUG Owner must supply its on-site load first, if applicable.

For sale of Independent Power from NUG 200 kW or less, Manitoba Hydro at its sole discretion may purchase Independent Power made available to it by a NUG Owner at a price to be established and published annually based on the Standard Residential Run-off Rate.

For sale of Independent Power from NUG greater than 200 kW, Manitoba Hydro at its sole discretion may purchase Independent Power made available to it by a NUG Owner for a project-specific price to be determined by Manitoba Hydro which reflects, at a minimum, the value of the power to Manitoba Hydro.

Special consideration may be given to a NUG Owner whose NUG meets one or more of the following:

- supports or increases industrial and economic development in Manitoba
- provides support to Manitoba Hydro's transmission system
- provides support to Manitoba Hydro's distribution system

2. Manitoba Hydro Initiated Independent Power Purchases

Manitoba Hydro may solicit Independent Power purchases through a standard procurement process which may consist of processes such as:

- Request for Proposal
- Single-sourcing
- Sole-sourcing
- Expression of Interest.

3. Installation of NUG

Installation of NUG in Manitoba must meet and comply with the applicable interconnection and operating requirements of Manitoba Hydro's transmission and distribution system as detailed in its Open Access Transmission Tariff.