

MANITOBA HYDRO

2012/13 & 2013/14 ELECTRIC GENERAL RATE APPLICATION

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MH to file a schedule isolating the IFRS impacts on Net Income.

Response:

Please see the following schedule which isolates the IFRS impacts on Net Income, as extracted from the information filed in MH Exhibit #55.

IFRS Net Income Impacts

	Increase (Decrease) in forecast Net Income									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
OM&A										
DSM	-	-	(23)	(22)	(21)	(20)	(19)	(18)	(17)	(17)
Site Remediation	-	-	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Regulatory Costs	-	-	(1)	(1)	(2)	(1)	(1)	(1)	(1)	(1)
Pension	-	-	-	(2)	(4)	(5)	(7)	(9)	(11)	(12)
Employee Benefits (amortization of RHSA)	-	-	3	1	1	1	1	1	1	0
Admin & General	-	-	(37)	(38)	(38)	(39)	(40)	(41)	(41)	(42)
	-	-	(62)	(66)	(69)	(69)	(71)	(73)	(75)	(77)
DEPRECIATION EXPENSE										
Administrative & General Overhead Capitalized	-	-	0	1	2	3	3	4	5	6
Reduction in Rate Regulated Assets	-	-	38	38	37	35	33	31	30	28
Change to Equal Life Group Depreciatin Method	-	-	(36)	(38)	(39)	(40)	(41)	(43)	(52)	(58)
Removal of Net Salvage from depreciation rates	-	-	63	66	68	73	77	81	97	107
	-	-	65	67	69	71	72	74	80	84
FINANCE EXPENSE										
IFRS Impacts	-	-	(2)	(2)	(3)	(3)	(3)	(3)	(4)	(4)
	-	-	(2)	(2)	(3)	(3)	(3)	(3)	(4)	(4)
CAPITAL TAX EXPENSE										
IFRS Impacts	-	-	3	3	3	3	3	3	2	2
	-	-	3	3	3	3	3	3	2	2
Total Impact on Forecast Net Income Increase (Decrease)	-	-	4	2	0	2	0	0	3	5