

SCO/MH II-1

Does MH have a contingency fund in place to account for environmental and other damages incurred and sustained by SCO First Nations as a result of MH operations?

ANSWER:

Manitoba Hydro has anticipated future mitigation payments involved with the operation of the existing Integrated Power System and recorded the total amount of the payments as a mitigation liability in Note 19 to the Consolidated Financial Statements. The liability is not referred to as a contingency fund.

SCO/MH II-2

Has MH set aside funding for the purposes of potential damages to SCO First Nations as a result of MH operations If so, what is the total amount of funding that has been set aside?

ANSWER:

Please see Manitoba Hydro's response to SCO/MH II-1.

SCO/MH II-3

Does the increase in the general rate for 2010/2011 and 2011/2012 include consideration of undetermined future compensation for potential damages to SCO First Nations as a result of MH operations?

ANSWER:

Please see Manitoba Hydro's response to SCO/MH II-1.

SCO/MH II-4

Provide a list and copies of studies completed regarding environmental audits and/or environmental impacts on SCO First Nations caused by MH operations.

ANSWER:

A review of environmental impacts associated with Manitoba Hydro's operations is not within the scope of the GRA:

“...the Board's risk review is not the proper forum for examination of specific allegations of liability by First Nations in SCO vis-à-vis alleged property or other damages incurred by any First Nation.” (Order 30/10, p. 32)

SCO/MH II-5

Provide a list and synopsis of studies in the process of being completed or scheduled to begin in the future, regarding environmental audits and/or environmental impacts on SCO First Nations caused by MH operations.

ANSWER:

A review of environmental impacts associated with Manitoba Hydro's operations is not within the scope of the GRA:

“...the Board's risk review is not the proper forum for examination of specific allegations of liability by First Nations in SCO vis-à-vis alleged property or other damages incurred by any First Nation.” (Order 30/10, p. 32)

SCO/MH II-6

Provide a list and copies of studies completed accounting for the impacts of MH operations on Aboriginal lands and waterways from the view of financial liability for such damages and interference.

ANSWER:

Studies dealing with the impacts of Manitoba Hydro operations on Aboriginal lands and waterways and the financial liability for alleged damages and interference associated therewith is not within the scope of the GRA:

“...the Board’s risk review is not the proper forum for examination of specific allegations of liability by First Nations in SCO vis-à-vis alleged property or other damages incurred by any First Nation.” (Order 30/10, p. 32)

SCO/MH II-7

Provide a list and synopsis of studies in the process of being completed or scheduled to begin in the future, accounting for the impacts of MH operations on Aboriginal lands and waterways from the view of financial liability for such damages and interference.

ANSWER:

Neither the above referenced category of studies nor a review of financial liability for alleged damages and interference associated with Manitoba Hydro's operations fall within the scope of the GRA:

“...the Board's risk review is not the proper forum for examination of specific allegations of liability by First Nations in SCO vis-à-vis alleged property or other damages incurred by any First Nation.” (Order 30/10, p. 32)

SCO/MH II-8

Provide all detailed records on the following:

- a) **Records of all alleged consultation to date between any or all SCO First Nations and MH;**

ANSWER:

No consultations have taken place with SCO First Nations with respect to the price charged for the provision of power to General Service and Residential customer Classes throughout Manitoba. Manitoba Hydro has met with SCO First Nations in relation to the Bipole III transmission project however such meetings do not relate to the subject matter of the General Rate Application.

SCO/MH II-8

Provide all detailed records on the following:

- b) Records of environmental impacts and damages by MH operations on lands and waterways of sea First Nations;**

ANSWER:

A review of alleged environmental impacts and damages associated with Manitoba Hydro's operations is not within the scope of the GRA:

“...the Board's risk review is not the proper forum for examination of specific allegations of liability by First Nations in SCO vis-à-vis alleged property or other damages incurred by any First Nation.” (Order 30/10, p. 32)

SCO/MH II-8

Provide all detailed records on the following:

- c) **Records of compensation for sea First Nations' lands eroded, damaged, etc., as a result of MH operations;**

ANSWER:

A review of past compensation for damages associated with Manitoba Hydro's operations is not within the scope of the GRA:

“...the Board's risk review is not the proper forum for examination of specific allegations of liability by First Nations in SCO vis-à-vis alleged property or other damages incurred by any First Nation.” (Order 30/10, p. 32)

SCO/MH II-8

Provide all detailed records on the following:

- d) Records regarding habitat fragmentation of areas surrounding MH operations;**

ANSWER:

A review of environmental impacts associated with Manitoba Hydro's operations is not within the scope of the GRA:

“...the Board's risk review is not the proper forum for examination of specific allegations of liability by First Nations in SCO vis-à-vis alleged property or other damages incurred by any First Nation.” (Order 30/10, p. 32)

SCO/MH II-8

Provide all detailed records on the following:

- e) **Records regarding impacts of all MH plant sites and facilities on the surrounding aquatic ecosystems, both upstream and downstream;**

ANSWER:

A review of environmental impacts associated with Manitoba Hydro's operations is not within the scope of the GRA:

“...the Board's risk review is not the proper forum for examination of specific allegations of liability by First Nations in SCO vis-à-vis alleged property or other damages incurred by any First Nation.” (Order 30/10, p. 32)

SCO/MH II-8

Provide all detailed records on the following:

- f) Records of any changes in river conditions, land and vegetation bordering water bodies, near all MH plant sites and facilities; and**

ANSWER:

A review of environmental impacts associated with Manitoba Hydro's operations is not within the scope of the GRA:

“...the Board's risk review is not the proper forum for examination of specific allegations of liability by First Nations in SCO vis-à-vis alleged property or other damages incurred by any First Nation.” (Order 30/10, p. 32)

SCO/MH II-8

Provide all detailed records on the following:

- g) Records on fish populations, river flows, water quality, fish passage and protection, watershed protection, threatened and endangered species protection, and cultural resource protection.**

ANSWER:

A review of environmental impacts associated with Manitoba Hydro's operations is not within the scope of the GRA:

“...the Board's risk review is not the proper forum for examination of specific allegations of liability by First Nations in SCO vis-à-vis alleged property or other damages incurred by any First Nation.” (Order 30/10, p. 32)

SCO/MH II-9

Provide copies of all paleo archeological studies of stream flows performed at or by MH.

ANSWER:

Manitoba Hydro has supported research into various sources of paleo-archeological data such as tree-rings and lake sediment records as potential indicators of past precipitation and/or temperature extremes. Manitoba Hydro has not undertaken any paleo archeological studies of stream flows.

SCO/MH II-10

Explain the apparent inconsistency between import power on page 2 of PUB/MH I-45 and power purchased in Schedule 4.9.0.

ANSWER:

The Power Purchased quantity, in Schedule 4.9.0., includes merchant purchases as well as transmission charges arising from being a participant in the U.S. market. The import power that is provided in PUB/MH I-45(b) does not contain these additional costs arising from merchant purchases and transmission charges. In addition, the import power in PUB/MH I-45(b) includes a cost component for memberships in market organizations, but Schedule 4.9.0 does not include this charge.