NOTICE OF APPLICATION AND PRE-HEARING CONFERENCE

APPLICANT: MANITOBA HYDRO

APPLICATION:

Manitoba Hydro has applied to The Public Utilities Board (Board) for approval of rate schedules incorporating a 2.9% average across-the-board increase effective April 1, 2010. This rate increase would, if approved, produce additional revenue of \$33.4 million for fiscal year 2010/11. Manitoba Hydro is also seeking approval of rate schedules incorporating a 2.9% average across-the-board increase effective April 1, 2011, which if approved, would produce additional revenue of \$35.1 million for fiscal year 2011/12.

For a typical Residential customer, without electric space heat using an average of 1000 kilowatt-hours per month, the proposed April 1, 2010 rate change, if approved by the Board, will result in a monthly bill increase of \$0.53, or 0.8%. A residential customer with electric space heat using an average of 2000 kW.h a month would note an increase of \$5.03, or 3.8% per month, commencing April 1, 2010.

The proposed rate change for April 1, 2011, if approved by the Board, will result in a monthly bill increase of \$0.38, or 0.5%, for a typical Residential customer without electric space heat using an average of 1000 kW.h per month. A residential customer with electric space heat, using an average of 2000 kW.h a month, would expect an increase of \$5.18, or 3.8%, commencing April 1, 2011.

General Service customers would, assuming the Board approves the proposed April 1, 2010 rates, experience increases ranging from 1.8% to 4.9% depending on monthly consumption, load factor and/or voltage level served. The proposed overall average increase for 2010/11 is 2.9 % for General Service customers. Based on the proposed April 1, 2011 rates, General Service customers would experience increases ranging from 2.0% to 3.7%, depending on monthly consumption, load factor and/or voltage level served. The proposed overall average increase for 2011/12 is 2.9 % for General Service customers.

Manitoba Hydro has also applied for final approval of various interim *ex parte* Orders relating to the Surplus Energy Program (SEP) and the Curtailable Rate Program (CRP), including orders with respect to these programs issued subsequent to both the filing of Manitoba Hydro's application and the Board's order in this matter. Manitoba Hydro has also applied for final approval of Board Order 126/09, and seeks making permanent the bill concessions approved therein as payment deferrals.

Finally, the Board will be conducting an in-depth review of Manitoba Hydro's risk exposures as an integral part of determining fair and reasonable rates; such rates take into account the impacts on consumers as well as the on-going financial health of the Utility. Past interveners have been invited to a separate pre-hearing conference, scheduled for December 10, 2009, to discuss the process to be followed in relation to risk issues specifically. New interveners attending the December 22, 2009 Pre Hearing Conference will also be given an opportunity to provide their submissions to the Board related to the process to be used to consider Hydro's risk issues.

PARTICULARS OF APPLICATION:

Full particulars of Manitoba Hydro's Application can be obtained by interested parties from:

Manitoba Hydro Attention: Patti Ramage 360 Portage Avenue WINNIPEG, Manitoba R3C 2P4

Phone: 360-3946 (collect if necessary)

An electronic version of the Application is located at http://www.hydro.mb.ca/regulatory_affairs/electric/gra_2010_2012/index.s httml (under Corporate, Regulatory Affairs).

PARTICIPATION:Interveners are those wishing to examine witnesses, provide evidence, make submissions, and/or present final argument. Interveners should notify the Board of their intention to do so by applying to the Secretary of the Board immediately – the Board will thereupon notify Hydro of the intention.

Interveners may be entitled to financial assistance. The Board's Rules of Practice and Procedure (Rules) provide the procedure to seek an award of costs, and the guidelines for an award of costs. Parties wishing to make an application for an award of costs should review the Rules before applying.

Those parties wishing to submit a written brief or to express oral comments to the Board, but who do not wish to be an intervener, are known as Presenters. They should advise the Secretary of the Board of their intention to appear at the public hearing by no later than April 15, 2010 and submit their written briefs as soon as possible.

PRE-HEARING CONFERENCE:

All persons, firms or corporations wishing to intervene in respect of this Application and participate in the examination of witnesses, provide evidence, or make submissions and final argument, are required to attend or to send a representative to the Pre-Hearing Conference to be held by the Board at its offices at 400-330 Portage Avenue, Winnipeg, Manitoba on Tuesday, December 22, 2009 at 10:00 a.m., at which time their application for intervention will be reviewed by the Board.

The purpose of the Pre-Hearing Conference is, among other things, to identify the interveners and their reasons for intervention, to provide an opportunity for interveners to cooperate and avoid duplication of interventions, and to finalize a timetable for the orderly exchange of evidence and information. All persons seeking Intervener Status should be present or represented at the Pre-Hearing Conference.

Persons wishing to address this Pre-Hearing Conference in French are required to notify the Board's Secretary prior to December 18, 2009.

Mr. G. Gaudreau, Secretary The Public Utilities Board 400 – 330 Portage Avenue Winnipeg, MB R3C 0C4

Phone: (204) 945-2644 or toll free 1(866)854-3698

Fax: (204) 945-2643

E-mail: publicutilities@gov.mb.ca

RURAL MEETINGS:

The Board is prepared to consider other locations in which to hold additional public meetings. Based on the public's response to this notice the Board is prepared to convene meetings in other locations as warranted. People who wish to be Presenters at other locations are to submit their written request to the Board's Secretary by Friday, December 18, 2009.

Confirmation of public meeting dates and locations will appear in a future Notice.

PROCEDURE:

The Board has adopted Draft Rules of Practice and Procedure, which shall apply to the conduct of this General Rate Application. All interveners should familiarize themselves with the Board's requirements. Copies of this document are available on-line at http://www.pub.gov.mb.ca or upon request from the Board Secretary.

VARIATION:

Upon an application to it, the Board may make an Order granting the whole or part only of the Application, or may grant such further or other relief in addition to, or in substitution for, that applied for, as fully and in all respects as if the Application had been for such partial, or further or other relief.

DATED this 4th day of December, 2009.

G. Gaudreau Secretary The Public Utilities Board

Wheelchair access is available



Five days notice required

