

ELECTRIC GENERAL RATE APPLICATION 2015**Manitoba Hydro Undertaking #54**

Manitoba Hydro to provide the value to them if the program is not currently utilized as capacity resource in the Power Resource Plan, confirm the reason for no longer listing the Curtailable Rate Program as a capacity resource, and the possibility of deferring the need for new generation if the CRP were to once again be included as a capacity resource in the Power Resource Plan; also why during the winter of 2013 and 14, Manitoba Hydro chose not to utilize the CRP, but rather go to market and MISO for additional imports during a time of capacity shortage.

Response:

Mr. Cormie addressed much of this undertaking in his testimony on June 9th (transcript pages 3201-3220). Of significance in his testimony were two issues; that it was unnecessary to contract for capacity now when it is not needed for at least 15 years, and that CRP load, because of the restrictive Terms and Conditions, could not be used as an economic supply of energy to avoid more expensive supply resources.

Please refer to MIPUG/MH-I-30a which addresses the rationale for capping Options A and R and eliminating Option C of the CRP.

Manitoba Hydro did not experience a capacity shortage during the 2013/14 winter as was outlined in responses to PUB/MH-II-66a-b and PUB/MH-II-37a-d.

Due to the restrictive terms conditions in the CRP, Manitoba Hydro limited the use of CRP during the winter of 2013/14 to meeting its contingency reserve deployment obligations. Option R curtailable load was curtailed for 183 minutes on February 5th in response to an outage on the HVDC system. Approximately 153 MWh of CRP load was curtailed for that event. There were no other events (or emergencies) in which the CRP was required. As CRP is limited to responding to emergencies and contingencies it is not an option for Manitoba Hydro to use to avoid expensive gas generation or energy purchases.