

ELECTRIC GENERAL RATE APPLICATION 2015**Manitoba Hydro Undertaking #12**

Manitoba Hydro to compare the sales to the deliveries to determine whether or not Manitoba Hydro financially settled any of its contractual obligations during the months of October and November 2014 when a when a 500 kV transmission line was taken out of service.

Response:

Manitoba Hydro has reviewed its US sales and deliveries under its dependable contracts for the October and November 2014 period when the 500 kV line between Manitoba and Minnesota was out of service due to commissioning work at Riel and when subsequent outages in the US reduced the available capacity on that interface.

During this period, US deliveries were approximately 98% of total sales under its dependable contracts. In other words, of the dependable sales made during this period, almost all were physically supplied from the Manitoba Hydro system. When the available transmission capacity was insufficient to allow physical delivery of its dependable sales from Manitoba, the sales were not made. Although Manitoba Hydro has the right to use the market to supply the energy associated with the majority of its capacity contracts, its policy is not to do so when the capacity it has contracted to provide cannot be delivered due to transmission outages.