
ELECTRIC GENERAL RATE APPLICATION 2015**Manitoba Hydro Informal Undertaking #6**

Manitoba Hydro to provide sensitivity analysis considering the impact of increased pipeline load

Response:

The GSL High Load Growth Scenario assumes the incremental energy under the High Load Growth Scenario is projected to be consumed by a GSL customer at the average unit revenue of approximately \$4.4 cents/kWh (escalated at the MH14 projected rate increases). The High Load Growth Scenario assumed the increase in load proportionately across all customers at the average unit revenue of approximately 6.4 cents/kWh (escalated at the MH14 projected rate increases). This sensitivity does not take into account differences in load profile which can influence the value of the average unit revenue.

The following figure compares the retained earnings impacts of the High Load Growth Scenario (Appendix 3.6) and General Service Large (GSL) High Load Growth Scenario to MH14. As indicated at transcript page 2561, an increase in load proportionately across all customer categories results in an increase to electric operations retained earnings of \$65 million by 2024 due to lower unit revenues on exports compared to average Manitoba customer unit revenues. The same increase in load to the GSL customer category only, results in an electric operations retained earnings reduction of \$75 million by 2024 due to higher unit revenues on exports compared to GSL unit revenues.

Electric Operations Retained Earnings Comparison (\$Millions)

