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November 1, 2013

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Peter S. Morse, Q.C.

Attention: Mr. Hollis Singh

Dear Sir:

Re: IEC Status Update Report
Our File: 13235

I am pleased to provide you with the following general status update report with respect to the following Independent Expert Consultants (IECs):

1. Knights Piesold;
2. POWER Engineers;
3. Elenchus Research Associates Inc.;
4. Potomac Economics;
5. MNP;
6. TYPLAN Consulting Ltd.;
7. Morrison Park Advisors;
8. La Capra Associates; and,
9. Ener Nex.

Scope of this Report

The IECs were asked to provide an update on (i) what is going well in the process to date; (ii) are there any concerns; (iii) are the IECs on time and on budget to meet their scope of work.

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Some of the IECs have prepared more formal reports, whereas others have forwarded more circumscribed and informal reports. However, in general these reports have addressed in an overall manner the points identified above.

Status of the Round 1 IRs

In addition, I have requested that IECs provide a status report of the Round 1 IRs, to be broken down into the categories:

1. (Y): Information Requests which can be formally withdrawn from the public record in accordance with PUB Order 119/13 as a satisfactory response was received from Manitoba Hydro on an informal basis for the IECs' analytic purposes;
2. (N): Information Requests which, in accordance with PUB Order 119/13, will remain on the public record at this time as the IEC is not satisfied with the level of response as received from Manitoba Hydro on an informal basis;
3. (IF): Information Requests which require further discussion and/or information from Manitoba Hydro on an informal basis before it can be determined if it will be withdrawn in accordance with PUB Order 119/13. Once this information, if received and is satisfactory, it will be formally withdrawn. If a satisfactory response cannot be provided by Manitoba Hydro, it will remain on the public record; and,
4. (INV): Information Requests which require the IEC to further review the sufficiency of the response from Manitoba Hydro and more meaningfully review the supporting documentation available before a determination can be made as to whether it will be withdrawn or stay on the public record.

Knights Pieshold

There have been no concerns raised at this point in time and they are proceeding with their scope of work. It is expected that they will be completing their scope of work obligations on time and on budget. A status report on the Round 1 IRs is forthcoming.

POWER Engineers

They are awaiting delivery of the IR responses to begin the main body of their work. At this point, there have been no concerns raised about being able to meet their scope of work obligations on time and on budget. However, the one concern that has been

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raised pertains how they will handle the assessment of Bi-pole III, as Manitoba Hydro is insisting that this should be considered as part of the system and not an independent element of the NFAT Assessment. This is currently being dealt with. A status report on the Round 1 IRs is forthcoming. In addition, a copy of their stand-alone status report will be sent to your attention under separate cover.

Elenchus Research Associates Inc.

There have been no concerns raised with respect to being able to meet their scope of work obligations on time and on budget. Please find attached as Schedule "A" to this letter their report on the status of the Round 1 IRs.

Potomac Economics

The main concern that has been raised pertains to their requesting from Manitoba Hydro for more information regarding the underlying basis for the consultants' price forecasts. This was data underlying the market simulations that were used by the six consultants. Manitoba Hydro advised that they did not have the data and were not sure if they would or could get it from the consultants. Further, Manitoba Hydro advised that they will discuss internally what approach to take in responding to the request. Manitoba Hydro has indicated that they will likely not be able to respond until next week. Without this underlying simulation data, *Potomac* will not be able to fully examine the basis of the consultants' forecasts, which will likely adversely affect their ability to complete their scope of work. A status report on the Round 1 IRs is forthcoming.

MNP

There have been no concerns raised with respect to being able to meet their scope of work obligations on time and on budget. Please find attached as Schedule "B" to this letter their report on the status of the Round 1 IRs in conformity with Order 119/13.

TYPLAN Consulting Ltd.

There have been no concerns raised with respect to being able to meet their scope of work obligations on time and on budget. A report on the status of Round IRs is forthcoming.

Morrison Park Advisors

They have indicated that there are several aspects of the initial activity of the NFAT review that have been going well, such as the informal meetings with Manitoba Hydro. However, there have been some concerns related to being able to receive satisfactory information that is responsive to the IRs. This issue is being assessed and

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further information will be provided at the earliest opportunity. Please find attached as Schedule "C" is a copy of the report on the status of the Round 1 IRs.

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La Capra Associates (Ener Nex)

They have also indicated that there are several aspects of the initial activity of the NFAT review process that are going well. However, there have been some concerns that have evolved since La Capra's initial Contract Memo discussions with the PUB. In general terms these have impacted the receipt of satisfactory information with respect to the IR process and it will also have some impact on budget items. In that regard, I will be forwarding their stand-alone report under separate cover. With respect to the status of the Round 1 IRs, please find attached as Schedule "D" a copy of their report.

Please feel free to contact me with respect to any of the above or related matters.

Yours truly,

HILL SOKALSKI WALSH TRIPPIER LLP

Per:



Christian Monnin*
CM/sch
Enc.

** services provided by Christian Monnin Law Corporation*

SCHEDULE "A"

October 23, 2013

Report on the Status of ERA Round 1 IRs

Dear Christian,

ERA has assessed the sufficiency of these responses into 4 categories as follow:

1. **Y** – Information Request can be formally withdrawn from the public record as a satisfactory response was received from Manitoba Hydro on an informal basis for our analytic purposes.
2. **N** – Information Request remains on the public record at this time as ERA is not satisfied with the level of response as received from Manitoba Hydro on an informal basis as the IEC.
3. **IF** – Information Request requires further discussion and/or information from Manitoba Hydro on an informal basis before it can be withdrawn. Once this information is received and satisfactory, it will be formally withdrawn. If a satisfactory response cannot be developed by Manitoba Hydro, it will remain on the public record.
4. **ERAIInv** – Information Request requires ERA to further review the sufficiency of the response from Manitoba Hydro and more meaningfully review the supporting documentation available.

Below is a summary of the Round 1 IRs submitted by ERA in each of the 4 categories discussed above.

Y – Information Request Formally Withdrawn	N – Information Request Remains on Public Record	IF – Information Request Requires Additional Information from Manitoba Hydro	ERAIInv – Information Request Requires Further ERA Review
<ul style="list-style-type: none"> • ERA-001 (a) • ERA-001 (b) • ERA-001 (c) • ERA-001 (d) • ERA-002 (b) • ERA-002 (c) • ERA-003 (a) • ERA-003 (b) • ERA-003 (c) • ERA-003 (d) • ERA-003 (e) • ERA-004 • ERA-006 (a) • ERA-006 (b) • ERA-006 (c) 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • ERA-002 (a) • ERA-003 (f) • ERA-005 • ERA-007 • ERA-012 (b) • ERA-037 	<ul style="list-style-type: none"> •

<ul style="list-style-type: none"> • ERA-006 (d) • ERA-008 • ERA-009 • ERA-010 (a) • ERA-010 (b) • ERA-010 (b) (i) • ERA-010 (b) (ii) • ERA-010 (b) (iii) • ERA-010 (b) (iv) • ERA-011 • ERA-012 (a) • ERA-013 • ERA-014 • ERA-015 • ERA-016 • ERA-017 • ERA-018 • ERA-019 • ERA-020 • ERA-021 • ERA-022 • ERA-023 • ERA-024 • ERA-025 • ERA-026 • ERA-027 • ERA-028 • ERA-029 • ERA-030 • ERA-031 • ERA-032 • ERA-033 • ERA-034 • ERA-035 • ERA-036 • ERA-038 (a) • ERA-038 (b) • ERA-038 (c) • ERA-038 (d) • ERA-039 (a) • ERA-039 (b) • ERA-040 (a) • ERA-040 (b) • ERA-040 (c) • ERA-041 (a) • ERA-041 (b) • ERA-042 (a) • ERA-042 (b) • ERA-043 • ERA-044 • ERA-045 			
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Sincerely,

John Todd
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SCHEDULE "B"

October 21, 2013

Report on the Status of MNP Round 1 IRs

MNP has reviewed the Round 1 Information Requests (IRs) submitted as part of the NFAT process on September 16, 2013. MNP (Craig Sabine) met with Manitoba Hydro in-person in Winnipeg on October 2nd and 3rd, 2013 to review Round 1 IRs submitted and obtained informal responses to a number of Round 1 IRs.

Based on the information received during informal meetings with Manitoba Hydro staff, MNP has reviewed the responses provided by Manitoba Hydro and supporting documentation received as part of the approved informal information gathering process. MNP has assessed the sufficiency of these responses into 4 categories as follow:

1. **Y** – Information Request can be formally withdrawn from the public record as a satisfactory response was received from Manitoba Hydro on an informal basis for our analytic purposes.
2. **N** – Information Request remains on the public record at this time as MNP is not satisfied with the level of response as received from Manitoba Hydro on an informal basis as the IEC.
3. **IF** – Information Request requires further discussion and/or information from Manitoba Hydro on an informal basis before it can be withdrawn. Once this information is received and satisfactory, it will be formally withdrawn. If a satisfactory response cannot be developed by Manitoba Hydro, it will remain on the public record.
4. **MNPInv** – Information Request requires MNP to further review the sufficiency of the response from Manitoba Hydro and more meaningfully review the supporting documentation available.

Below is a summary of the Round 1 IRs submitted by MNP in each of the 4 categories discussed above.

Y – Information Request Formally Withdrawn	N – Information Request Remains on Public Record	IF – Information Request Requires Additional Information from Manitoba Hydro	MNPInv – Information Request Requires Further MNP Review
<ul style="list-style-type: none"> • MNP-001 • MNP-003 • MNP-004 • MNP-009 • MNP-010 • MNP-011 • MNP-012 • MNP-014 • MNP-015 • MNP-016 • MNP-017 • MNP-019 • MNP-020 • MNP-021 • MNP-022 • MNP-025 • MNP-026(a) • MNP-026(b) • MNP-028 • MNP-029 	<ul style="list-style-type: none"> • MNP-007 • MNP-008 • MNP-013 • MNP-023 • MNP-024 • MNP-041 • MNP-054 • MNP-076 • MNP-082 • MNP-084 	<ul style="list-style-type: none"> • MNP-005 • MNP-006 • MNP-018 • MNP-031 • MNP-038(b) • MNP-039 • MNP-055 • MNP-058(c) • MNP-065 • MNP-068 • MNP-073 • MNP-075 • MNP-078 • MNP-083 • MNP-086 • MNP-087 • MNP-094 	<ul style="list-style-type: none"> • MNP-027 • MNP-036 • MNP-038(a) • MNP-040 • MNP-046 • MNP-051 • MNP-053 • MNP-058(b) • MNP-060 • MNP-063

<ul style="list-style-type: none"> • MNP-030 • MNP-032 • MNP-033 • MNP-034 • MNP-035 • MNP-037 • MNP-042 • MNP-043 • MNP-044 • MNP-045 • MNP-047 • MNP-048 • MNP-049 • MNP-050 • MNP-052 • MNP-056 • MNP-057 • MNP-058(a) • MNP-059 • MNP-061 • MNP-062 • MNP-064 • MNP-066 • MNP-067 • MNP-069 • MNP-070 • MNP-071 • MNP-072 • MNP-074 • MNP-077 • MNP-079 • MNP-080 • MNP-081 • MNP-085 • MNP-088 • MNP-089 • MNP-090 • MNP-091 • MNP-092 • MNP-093 • MNP-095 			
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SCHEDULE "C"

Christian Monnin

From: Pelino Colaiacovo <pcolaiacovo@morrisonpark.com>
Sent: Friday, November 01, 2013 10:04 AM
To: Christian Monnin
Subject: Status of MPA IRs

Christian,

We have received satisfactory answers on the following IRs, which can be withdrawn:

- MPA IR 12, 13, 14a, 14b, 17

We have received some information regarding MPA IR 16a, 16b, 16c, but we are awaiting some further clarification on this information. If that is received, then we will withdraw that IR.

The remainder of our IRs continue to stand.

Best,

/pc

Pelino Colaiacovo
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SCHEDULE "D"

MEMORANDUM

October 29, 2013

SUBJECT: MANITOBA HYDRO ROUND 1 IRS

La Capra Associates (LCA) has reviewed the Round 1 Information Requests (IRs) submitted as part of the NFAT process on September 16, 2013. LCA has met with Manitoba Hydro staff on numerous occasions both in person and via teleconference. LCA has received informal IR responses through these conversations and through documents posted on the Manitoba Hydro SharePoint website. Based on its review of this information, LCA has assessed the sufficiency of these responses and designated each IR as belonging to one of the four categories below. These are the same categories used by MNP in its review of IRs.

1. **Y** – Information Request can be formally withdrawn from the public record as a satisfactory response was received from Manitoba Hydro on an informal basis for our analytic purposes.
2. **N** – Information Request remains on the public record at this time.
3. **IF** – Information Request requires further discussion and/or information from Manitoba Hydro on an informal basis before it can be withdrawn. Once this information is received and satisfactory, it will be formally withdrawn. If a satisfactory response cannot be developed by Manitoba Hydro, it will remain on the public record.
4. **LCAInv** – Information Request requires LCA to further review the sufficiency of the response from Manitoba Hydro and more meaningfully review the supporting documentation available.

Attached is an excel spreadsheet that identifies which category each IR belongs to in the "Status" column to the far right. The following questions require Manitoba Hydro to provide specific information before LCA can withdraw them. These are:

Question	Information Required
LCA-013	Only a copy of the Lake St. Joseph Agreement with Ontario Power Generation is required.
LCA-075	Can be withdrawn if Manitoba Hydro answers LCA-106.
LCA-076	Can be withdrawn if Manitoba Hydro answers LCA-106.
LCA-079	Can be withdrawn if Manitoba Hydro answers LCA-106.
LCA-080	Can be withdrawn if Manitoba Hydro answers LCA-106.
LCA-203	The Economic Cash Flow spreadsheet Manitoba Hydro has provided only provides for the reference case. LCA requests Manitoba Hydro provide the same electronic information for the other scenarios.
LCA-205	Can be withdrawn if Manitoba Hydro answers LCA-203.