

August 30, 2013

Josée Lemoine Project Manager, NFAT Review Public Utilities Board

Dear Ms. Lemoine,

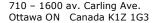
The Canadian Wind Energy Association (CanWEA) is the voice of Canada's wind energy industry, actively promoting the responsible and sustainable growth of wind energy on behalf of its members. Our 300+ corporate members represent wind turbine and component manufacturers, wind energy project developers and owners (including many of Canada's leading energy companies), and a wide range of service providers to the wind energy industry.

CanWEA has reviewed some of the documents submitted by Manitoba Hydro in relation to the Needs For and Alternatives To (NFAT) submission filed with the Manitoba Public Utilities Board (PUB). We recognize Manitoba Hydro's interest in exploring electricity future options that will ensure a reliable and sustainable energy source for Manitobans for years to come and we believe wind energy can make an important contribution to that objective.

The government of Manitoba established an initial target of 1,000 MW of wind energy to be developed in the province by 2016. While that target is unlikely to be met, Manitoba has now gained important experience and knowledge of wind energy.

We believe that wind energy will continue to make a valuable contribution to Manitoba's future electricity needs because:

- Wind energy is increasingly cost-competitive:
 - A report commissioned by CanWEA updates older cost and productivity estimates of 121 potential onshore wind development sites across British Columbia. The study found that wind turbine prices have dropped by 20 per cent since 2009 while at the same time the productivity of turbines has increased by as much as 27 per cent. Similar findings have been reached by the US DOE and Bloomberg New Finance.





- Wind energy provides important economic benefits to rural communities:
 - Wind projects bring economic benefits to communities at every phase of the project, in the form of local jobs and local spending. Host communities are realizing significant economic benefits through new tax revenues and stable income for farmers and landowners from land lease agreements.
 - Wind energy can bring substantial benefits to rural communities. With its flexibility, wind energy allows multiple development models, including the participation and ownership by communities. Positive experiences can be found across the country including Quebec where some municipalities and counties have up to 50 per cent ownership of some projects. Nova Scotia is also set to grow community involvement following the successful launch of the Community Feed In Tariff (COMFIT) program.
 - A ClearSky Advisors study, undertaken on behalf of CanWEA, found that in Ontario, every 1,000 MW of new wind energy drives \$2.5 billion in investments, creates 10,500 person-years of employment, and provides enough clean power for over 300,000 Canadian homes.
 - Case studies and testimonials from many local communities can be found at: http://www.windformycommunity.ca/
- Wind energy can serve as a valuable complement to hydroelectricity as using hydro and wind together will help conserve precious water resources – wind energy can be used to conserve water during cold winter days for use in the summer.
 - The recent agreement between Minnesota and Manitoba is evidence of the foresight of the two utilities to take advantage of the natural partnership between wind and water that exists. CanWEA applauds the leadership being exemplified by Manitoba Hydro in this regard, and is very encouraged to see a "wind storage" provision, noted as a first in North America.

CanWEA believes that a natural partnership exists between hydropower and wind power, and that Manitoba Hydro can take advantage of its vast renewable fuel reserves – both water and wind – to ensure Manitoban's have one of the most reliable and sustainable electricity grid in North America.

CanWEA would welcome an opportunity to discuss in greater detail the role that wind energy can help play in building a long term, reliable and sustainable energy system for Manitobans for generations to come.

Sincerely,

Tom Levy, P.Eng.

Manager of Technical and Utilities Affairs Canadian Wind Energy Association

710 – 1600 av. Carling Ave. Ottawa ON Canada K1Z 1G3

