

NEEDS FOR AND ALTERNATIVES TO (NFAT)**Manitoba Hydro Undertaking #47**

Manitoba Hydro to provide Electric Operations financial ratios for IFF13.

Response:

Please see the following tables for the Electric Operations financial ratios for IFF13. Please note that in practice financial ratios are only calculated on a consolidated basis.

ELECTRIC OPERATIONS (MH13)
PROJECTED OPERATING STATEMENT
(In Millions of Dollars)

For the year ended March 31

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
REVENUES										
General Consumers										
at approved rates	1 396	1 408	1 423	1 438	1 452	1 471	1 490	1 508	1 528	1 548
additional*	0	56	115	177	243	314	390	470	555	646
BP/III Reserve Account	(18)	(21)	(22)	(23)	(13)	0	0	0	0	0
Extraprovincial	408	383	362	390	441	448	484	760	862	880
Other	13	13	13	14	14	14	14	15	15	15
	<u>1 799</u>	<u>1 838</u>	<u>1 890</u>	<u>1 995</u>	<u>2 138</u>	<u>2 247</u>	<u>2 378</u>	<u>2 753</u>	<u>2 960</u>	<u>3 089</u>
EXPENSES										
Operating and Administrative	485	494	542	548	567	574	586	612	620	633
Finance Expense	437	499	514	567	657	784	838	1 105	1 195	1 195
Depreciation and Amortization	415	440	437	448	485	499	521	600	667	675
Water Rentals and Assessments	125	123	111	111	112	111	113	124	127	127
Fuel and Power Purchased	144	142	174	189	203	214	217	250	265	273
Capital and Other Taxes	93	101	109	121	131	134	135	136	138	168
Corporate Allocation	9	9	9	9	9	9	9	9	9	9
	<u>1 707</u>	<u>1 807</u>	<u>1 896</u>	<u>1 992</u>	<u>2 163</u>	<u>2 324</u>	<u>2 417</u>	<u>2 835</u>	<u>3 020</u>	<u>3 081</u>
Non-controlling Interest	24	24	18	16	13	10	8	7	0	(2)
Net Income	<u>116</u>	<u>55</u>	<u>12</u>	<u>19</u>	<u>(12)</u>	<u>(67)</u>	<u>(31)</u>	<u>(75)</u>	<u>(60)</u>	<u>6</u>
* Additional General Consumers Revenue										
Percent Increase	0.00%	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%
Cumulative Percent Increase	0.00%	3.95%	8.06%	12.32%	16.76%	21.37%	26.17%	31.15%	36.33%	41.72%
Financial Ratios										
Equity	24%	22%	18%	16%	15%	14%	12%	12%	11%	10%
Interest Coverage	1.20	1.09	1.02	1.02	0.99	0.94	0.97	0.94	0.96	1.00
Capital Coverage	1.03	0.86	0.78	0.84	1.12	1.01	1.14	1.16	1.32	1.51

**ELECTRIC OPERATIONS (MH13)
PROJECTED OPERATING STATEMENT
(In Millions of Dollars)**

For the year ended March 31

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
REVENUES										
General Consumers at approved rates	1 568	1 588	1 609	1 629	1 649	1 672	1 694	1 715	1 737	1 758
additional*	742	844	952	1 067	1 188	1 317	1 454	1 599	1 751	1 913
BP/III Reserve Account	0	0	0	0	0	0	0	0	0	0
Extraprovincial	881	867	795	976	1 238	1 344	1 342	1 342	1 358	1 360
Other	16	16	16	16	17	17	17	18	18	19
	<u>3 206</u>	<u>3 315</u>	<u>3 373</u>	<u>3 688</u>	<u>4 091</u>	<u>4 350</u>	<u>4 507</u>	<u>4 674</u>	<u>4 865</u>	<u>5 050</u>
EXPENSES										
Operating and Administrative	646	660	673	705	720	735	748	762	778	794
Finance Expense	1 210	1 210	1 204	1 325	1 623	1 801	1 772	1 784	1 724	1 670
Depreciation and Amortization	679	684	694	741	829	886	895	911	918	921
Water Rentals and Assessments	127	127	127	135	148	151	151	152	153	153
Fuel and Power Purchased	284	300	298	283	271	291	301	299	311	321
Capital and Other Taxes	178	185	194	200	204	206	208	208	212	211
Corporate Allocation	9	9	9	9	9	9	9	7	6	6
	<u>3 132</u>	<u>3 175</u>	<u>3 197</u>	<u>3 397</u>	<u>3 803</u>	<u>4 079</u>	<u>4 083</u>	<u>4 123</u>	<u>4 102</u>	<u>4 075</u>
Non-controlling Interest	(6)	(8)	(8)	(10)	(11)	(13)	(16)	(18)	(20)	(23)
Net Income	<u>68</u>	<u>133</u>	<u>168</u>	<u>281</u>	<u>277</u>	<u>259</u>	<u>408</u>	<u>532</u>	<u>742</u>	<u>952</u>
* Additional General Consumers Revenue Percent Increase	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%	3.95%
Cumulative Percent Increase	47.31%	53.13%	59.18%	65.47%	72.01%	78.80%	85.86%	93.20%	100.84%	108.77%
Financial Ratios										
Equity	10%	10%	10%	11%	11%	12%	13%	15%	18%	21%
Interest Coverage	1.04	1.08	1.10	1.16	1.15	1.14	1.22	1.29	1.42	1.56
Capital Coverage	1.68	1.82	1.89	2.20	2.33	2.40	2.68	2.94	3.34	3.72