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September 13, 2013

Mr. H. Singh
The Public Utilities Board
400 - 330 Portage Avenue
WINNIPEG, Manitoba R3C 0C4

Dear Mr. Singh:

RE: MANITOBA HYDRO
NFAT SUBMISSION ERRATA

As noted during the Pre-Hearing Conference held September 4, 2013, Manitoba Hydro has, since the filing of its submission on August 16, 2013, noted a number of items which require correction. This correspondence is to notify you that the following corrections will be made to Manitoba Hydro's online filing of its submission:

- 1) Acronyms and Abbreviations updated, primarily to remove duplication;
- 2) Chapter 2, page 53, line 2 "\$30 million" should be "\$10 million";
- 3) Chapter 4, page 36, line 5 reference to Appendix 4.2 – Manitoba Hydro Supply and Demand Tables corrected to reference Appendix 4.1 – Manitoba Hydro Generation Planning Criteria;
- 4) Chapter 7, page 22, Table 7.2 Achievable MW changed from "233" to "255", "151%" changed to "166%" and Market MW changed from "644" to "671" and "418%" changed to "436%";
- 5) Chapter 9 - In reviewing capital costs after the submission of the NFAT filing it was identified that the capital cost for the wind resource option used throughout the filing was approximately 5% higher than it should have been. This affects the Wind/Gas plan (plan 3) and Wind/Conawapa plan (plan 9). When corrected, the incremental net present value to the All Gas at reference scenario assumptions is improved by \$140 million (2014 dollars) and \$51 million (2014 dollars), for the Wind/Gas and Wind/Conawapa development plans, respectively. Similarly the expected value is improved by \$145 million and \$53 million for the Wind/Gas and Wind/Conawapa plans respectively. These corrections do not change the economic or probabilistic analysis conclusions. Any subsequent analysis will be conducted with the corrected wind resource capital costs. An updated Chapter 9, Figure 9.2 (Development Plan NPVs – Benefits to Manitoba Hydro (Relative to All Gas Plan)) and Appendix 9.3, Figure 2.7.1 (Red-Green Quilt: Relative to All Gas Ref-Ref-Ref Case) are provided as an Addendum to the filing. Given that this does not change the outcome of the analysis, and revisions would be required in a number of places throughout the filing including Chapter 7, 9, 10 and Appendix 7.2 and 9.3, the filing is not being amended to reflect this correction;
- 6) Chapter 10, page 21, line 18 and following "Alternative One is also much more likely to

result in a loss (roughly an 80% chance) than alternatives Two or Three (roughly a 30% chance)." is changed to "Alternative One is also much more likely to result in a loss (roughly a 65% chance) than alternatives Two (roughly a 20% chance) or Three (roughly a 30% chance).";

- 7) Chapter 10, page 23, line 17 "\$70" changed to "\$-70";
- 8) Chapter 10, page 23, lines 18 and 22 "1,084" changed to "\$1,084";
- 9) Chapter 12 erroneous bookmark removed (electronic version only);
- 10) Chapter 13, page 1, line 4 "fot" changed to "for";
- 11) Chapter 13, page 49, line 12, Figure 13.1 corrected to Figure 13.9;
- 12) Chapter 13, page 50, line 1, Figure 13.2 corrected to Figure 13.10;
- 13) Chapter 13, page 69, line 1, Figure 13.3 corrected to Figure 13.11;
- 14) Chapter 13, page 72, line 3, Figure 13.4 corrected to Figure 13.12;
- 15) Chapter 13, page 73, line 1, Figure 13.5 corrected to Figure 13.13;
- 16) Appendix 4.3, the DSM Potential Study has been modified, and the Appendices attached.
An erratum of the report is contained on page 3 of the Study in the electronic filing.
- 17) Appendix 9.3, page 37, update to Table 2.5 made;
- 18) Appendix 9.3, page 38 reference to Figure 2.6.2 corrected to Figure 2.7.1;
- 19) Appendix 9.3, page 50 missing equations inserted;
- 20) Appendix 9.3, page 65 reference to Figure 2.7.1, 2.7.2 and 2.7.3 changed to 2.7.7, 2.7.8, and 2.7.9 respectively;
- 21) Appendix 11.4 - corrections have been made to each of the pro forma financial statements to remedy the "Investing Activities" portion of the financial statements. As Ms. Carriere reviewed in the Technical Conference on September 6, 2013, Total Cash from Investing Activities is reported correctly, however the row titled "Other" should be "Sinking Fund Payment", and the values in the row are incorrect. On-line versions of the pro-forma financial statements have been amended to reflect this correction. Sinking Fund values can also be determined by deducting Property Plant and Equipment net of contributions and Other Investing Activities from the Total Cash for Investing Activities. Bookmarks for each pro forma will be renamed to assist in locating the appropriate pro forma;
- 22) Bookmarks added to PDF version of Business Case without Appendices.

You may wish to update the PUB website accordingly. If you have any questions regarding this submission, please contact the writer at (204) 360-3468.

Yours truly,

MANITOBA HYDRO LAW DIVISION

Per:



MARLA D. BOYD

Barrister and Solicitor

MDB/

cc: R.F. Peters, Fillmore Riley LLP
Intervenors of Record