
NEEDS FOR AND ALTERNATIVES TO (NFAT)

Manitoba Hydro responses to CAC Exhibit 51

References: MH Exhibit #95, Slides 107 & 108 and MH Exhibit #104-8

- 2. Using a format similar to that in CAC/MH I-11 -**
 - a) Please reconcile the Low and High 2014 Updated values for Keeyask reported in Exhibit 104-8 with those in Exhibit #95**

Response:

As noted in MH Exhibit 104-8, “all costs prior to June 2014 are not included in the totals as they are considered sunk and having been made to protect the in-service dates shown in the table.” Therefore, the committed costs to June 2014 are removed from MH Exhibit #104-8. Conversely, sunk costs to Dec 2013 are included in MH Exhibit #95.

In the economic analysis, post construction adverse effects payments were included and treated in the same fashion as an operating cost. MH Exhibit #95 includes these costs and MH Exhibit #104-8 does not.

The table in MH Exhibit #104-8 only included the capital costs associated with the generating station and did not include the costs associated with the generation outlet transmission (GOT). Conversely, MH Exhibit #95 included the costs associated with the GOT.

MH Exhibit #104-8 is in 2014 dollars whereas MH Exhibit #95 is in 2013 dollars.

See the table below for a comparison of differences between the two numbers.

Keeyask Comparison of Exhibit #104-8 with Exhibit #95				
	Exhibit #104-8		Exhibit #95	
	Low	High	Low	High
Generating Station				
Total Base Dollars	3.39	4.56	3.39	4.56
Spent to Dec.31/13 (without Interest)	0.62	0.62	0.62	0.62
Interest on Spent Dollars	0.23	0.23	0.23	0.23
Present Value of Post-Construction Adverse Effects Payments	-0.08	-0.08		
Committed Costs to June/14	-1.13	-1.16		
Capital Cost used in economic uncertainty analysis (2013\$)	3.0	4.2		
Capital Cost used in economic uncertainty analysis (2014\$)	3.1	4.2		
GOT				
Total Dollars Spent			0.00	0.00
Base Estimate			0.12	0.21
Base Cost (Including Sunk Costs)			4.36	5.62