

Manitoba Hydro

Book of Documents

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TAB 1

The Manitoba Hydro Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Manitoba, enacts as follows:

Definitions

1 In this Act,

"**board**" means the board for which provision is made in section 5; (« conseil »)

"**compliance body**" means a body authorized under clause 15.0.1(1)(d) to monitor compliance with reliability standards in Manitoba; (« organisme de contrôle »)

"**corporation**" means The Manitoba Hydro-Electric Board continued by this Act and otherwise referred to as Manitoba Hydro; (« Régie »)

"**customer**" includes any user or purchaser of power or any potential user or purchaser of power; (« client »)

"**fuels**" means all forms of energy other than electrical power, and includes, without limitation, natural, manufactured and mixed gas, liquefied petroleum gas, oil and coal; (« combustibles »)

"**generation**" means production by hydraulic, electrical, pneumatic, steam, internal combustion engine, gas, oil, atomic, or any other process; (« production »)

"**Her Majesty**" means Her Majesty the Queen in right of the Province of Manitoba; (« Sa Majesté »)

"**interconnection works**" means property, including land and works, upon or adjacent to the boundary line between Manitoba and any other province or any state of the United States and situated in Manitoba or in that other province or state, or partly in one and partly in the other of them; (« ouvrages d'interconnexion »)

"**land**" means real property of whatsoever nature or kind and includes tenements, hereditaments, and appurtenances, leaseholds, and any estate, term, easement, right or interest in, to, over, under or affecting land, including rights-of-way, and waters, water rights, water powers, and water privileges; (« biens-fonds »)

"**minister**" means the member of the Executive Council charged by the Lieutenant Governor in Council with the administration of this Act; (« ministre »)

"**municipality**" means a city, town, village, rural municipality or local government district and includes the City of Winnipeg, and also includes a school district, school area, or school division; and "**municipal**" has a corresponding meaning; (« municipalité »)

"**orders**" include orders made under this Act; (« décrets »)

"**owner**" includes a mortgagee, lessee, tenant, occupant, or any person entitled to any estate or interest in property, land, or works, and a guardian, committee, substitute decision maker for property as defined in *The Vulnerable Persons Living with a Mental Disability Act*, executor, administrator or trustee in whom property, land, or works, or any estate or interest therein is vested; (« propriétaire »)

"**person**" includes a firm, corporation, commission, whether governmental, municipal, or otherwise, and the heirs, executors, administrators, successors, and assigns of a person; (« personne »)

"**power**" means electrical power howsoever generated, and includes electrical energy; (« énergie »)

"**power plant**" includes all land and works, constructed, acquired, used or adapted, or that might be used or adapted, for or in connection with the development or generation of power; (« installation de production »)

"**power project**" includes any charter, franchise, privilege, or other right, or land, or works, acquired, or proposed to be acquired, by any person with a view to the development or generation of power, or any plans, surveys, or data made or assembled with a view to the development or generation of power; (« programme énergétique »)

"**power site**" includes any land, or any lake, river, stream, watercourse, or body of water, water licence or privilege, or reservoir, dam, water storage, sluice, canal, raceway, tunnel, or aqueduct, that is used or that might be used for or in connection with the development or generation of power; (« site de production »)

"**property**" includes any and all property, movable, immovable, real, personal, mixed, tangible or intangible; (« biens »)

"related business venture" means

- (a) a business venture to assist the corporation in carrying out its purposes and objects,
- (b) a business venture through which the corporation can market its products, services and expertise,
- (c) a business venture through which the corporation can utilize its property, or acquire and utilize other property to enhance the utilization of its property, for secondary purposes, or
- (d) any business venture related to fuels; (« entreprise commerciale connexe »)

"reliability standard" means a standard, rule or requirement for the planning, design or operation of electricity generation and transmission facilities and major electricity loads in Manitoba within a regional electricity grid, for the purpose of

- (a) providing a continuous supply of power, at acceptable voltage and frequency, in Manitoba and within the regional electricity grid, and
- (b) minimizing instability, uncontrolled separation or cascading failures, and uncontrolled electricity flows, in Manitoba and within the regional electricity grid; (« normes de fiabilité »)

"retail supply of power" means an arrangement, transaction or series of transactions which, in form or in substance, constitutes the sale or supply of power to the end-user of the power; (« fourniture d'énergie au détail »)

"separation of functions" means the functions of

- (a) the corporation,
- (b) any subsidiary, or
- (c) any other person,

as determined by the board, operated on an independent and separate basis by the corporation, any subsidiary, any other person or any combination thereof; (« séparation des fonctions »)

"standards body" means a body that makes or recommends reliability standards; (« organisme des normes »)

"subsidiary" means a company of which the corporation owns, directly or indirectly, all of its shares; (« filiale »)

"supply" includes delivery, dealing in, and sale; (« fournir »)

"works" includes all roads, railroads, plant, machinery, buildings, structures, erections, constructions, installations, materials, devices, fittings, apparatus, appliances, equipment, and other property for the development, generation, transmission, distribution, or supply of power. (« ouvrages »)

S.M. 1993, c. 29, s. 187; S.M. 1997, c. 55, s. 2; S.M. 2009, c. 17, s. 2.

Purposes and objects of Act

2 The purposes and objects of this Act are to provide for the continuance of a supply of power adequate for the needs of the province, and to engage in and to promote economy and efficiency in the development, generation, transmission, distribution, supply and end-use of power and, in addition, are

- (a) to provide and market products, services and expertise related to the development, generation, transmission, distribution, supply and end-use of power, within and outside the province; and
- (b) to market and supply power to persons outside the province on terms and conditions acceptable to the board.

TAB 2

This is an **unofficial version**.

This version is current as of April 22, 2014.

It has been in effect since June 14, 2012.

Go to an earlier version:

— June 16, 2011 to June 13, 2012

— May 1, 2002 to June 15, 2011

Earlier consolidated versions are not available online.

C.C.S.M. c. S270

The Sustainable Development Act

(Assented to June 28, 1997)

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Manitoba, enacts as follows:

PART 1

DEFINITIONS AND PURPOSE

Definitions

1 In this Act,

"**biological diversity**" means the variability among all living organisms and the ecological complexes of which they are part, including diversity within and among species and among ecosystems; (« biodiversité »)

"**Cabinet**" means the Executive Council appointed under *The Executive Government Organization Act*; (« Cabinet »)

"**code of practice**" means the provincial sustainable development code of practice established under subsection 11(1); (« code de pratique »)

"**Crown corporation**" means a corporation or other body to which *The Crown Corporations Public Review and Accountability Act* applies; (« corporation de la Couronne »)

"**Crown Corporations Council**" means the Crown Corporations Council established under *The Crown Corporations Public Review and Accountability Act*; (« Conseil des corporations de la Couronne »)

"**demand management**" means measures implemented to influence the amount of resources consumers use, as well as how and when the resources are used; (« régulation de la demande »)

"**department**" means a department of the government; (« ministère »)

"**economy**" means the global system of managing resources and of producing, distributing and consuming goods and services; (« économie »)

"**environment**" includes air, land, water, flora and fauna; (« environnement »)

"**full-cost accounting**" means accounting for the economic, environmental, land use, human health, social and heritage costs and benefits of a particular decision or action to ensure no costs associated with the decision or action, including externalized costs, are left unaccounted for; (« méthode du coût de revient complet »)

"**Fund**" means the Sustainable Development Innovations Fund continued under subsection 17(1); (« Fonds »)

"**Guidelines**" means the Guidelines for Sustainable Development set out in Schedule B; (« directives »)

"**health**" means the condition of being sound in body, mind and spirit, and shall be interpreted in accordance with the objects and purposes of this Act; (« santé »)

"**Interdepartmental Planning Board**" means the Interdepartmental Planning Board established under *The Planning Act*; (« Commission interministérielle d'aménagement »)

"local authority" means a municipality or local urban district established under *The Municipal Act*, a municipal corporation established under any other Act of the Legislature and a local government district under *The Local Government Districts Act*; (« administration locale »)

"Manitoba Round Table" means the Manitoba Round Table for Sustainable Development established under subsection 4(1); (« Organisme »)

"minister" means the member of the Executive Council charged by the Lieutenant Governor in Council with the administration of this Act or any part of this Act; (« ministre »)

"Principles" means the Principles of Sustainable Development set out in Schedule A; (« principes »)

"procurement" includes the purchase, lease, rental, use or disposal of goods, facilities and services, including the acquisition of goods and facilities by construction, renovation or otherwise; (« approvisionnement »)

"provincial public sector organization" means

(a) a department, and

(b) a board, commission, association, or similar body, whether incorporated or unincorporated, all the members of which, or all the members of the board of management, board of directors or other governing boards, of which are appointed by an Act of the Legislature or by the Lieutenant Governor in Council, to which this Act has been made applicable by regulation; (« organisation du secteur public provincial »)

"sustainability" means the capacity of a thing, action, activity or process to be maintained indefinitely in a manner consistent with the spirit of the Principles and Guidelines; (« durabilité »)

"sustainable development" means meeting the needs of the present without compromising the ability of future generations to meet their own needs; (« développement durable »)

"Sustainable Development Strategy" means the Sustainable Development Strategy for Manitoba established under section 7; (« stratégie de développement durable »)

"sustainable yield" means the harvesting, extraction or use of a renewable resource at a rate or in an amount that does not exceed the rate of growth, regeneration or replacement of the resource. (« rendement équilibré »)

Purpose

2 The purpose of this Act is to create a framework through which sustainable development will be implemented in the provincial public sector and promoted in private industry and in society generally.

PART 2

FRAMEWORK FOR IMPLEMENTING SUSTAINABLE DEVELOPMENT

3 Not yet proclaimed.

Manitoba Round Table established

4(1) The Manitoba Round Table for Sustainable Development is hereby established to

(a) promote sustainable development in Manitoba; and

(b) provide advice and recommendations to government in accordance with this Act.

Duties of the Manitoba Round Table

4(2) The duties of the Manitoba Round Table include

(a) creating awareness and understanding of sustainable development by the citizens of Manitoba;

(b) cooperating with public sector organizations, private industry, non-governmental organizations and citizens to share knowledge and experience;

(c) reviewing the Principles and Guidelines under section 6;

(d) advising on the development of, and reviewing, the Sustainable Development Strategy in accordance with section 7;

(e) advising on the development of component strategies in accordance with section 7;

(f) advising on the development and review of sustainability indicators in accordance with section 9;

(f.1) at the request of the minister, reviewing existing or proposed policy, legislation, regulations or programs for consistency with the Principles and Guidelines, and reporting to the minister with recommendations for his or her consideration; and

(g) any other task or activity related to sustainable development, at the request of the minister.

Powers of the Manitoba Round Table

4(3) The Manitoba Round Table may

- (a) establish and direct subcommittees to undertake various tasks;
- (b) make its own rules of procedure, including procedures of subcommittees;
- (c) identify, promote and encourage projects and activities which exemplify sustainable development practices;
- (d) initiate, sponsor and support seminars, workshops and conferences related to sustainable development;
- (d.1) conduct studies and investigations, and advise and make recommendations to the minister, on matters related to sustainable development, other than matters involving the gathering of evidence to determine whether or not specific persons or bodies are complying with the provisions of this Act and the regulations;
- (e) publish reports and other materials; and
- (f) do all things necessary for the effective carrying out of its duties under this Act.

Membership of the Manitoba Round Table

4(4) The Manitoba Round Table shall consist of at least 20 members appointed by the Lieutenant Governor in Council, of whom a minimum of four, and a maximum of 1/3 of the total number, shall be Cabinet ministers.

Term of office

4(5) Except in the case of a Cabinet minister, a member of the Manitoba Round Table shall be appointed for a term of not less than one year and not more than three years.

Renewal of term

4(6) The Lieutenant Governor in Council may renew the term of a member of the Manitoba Round Table.

Premier as chairperson

4(7) Where the Premier is a member of the Manitoba Round Table, he or she shall be its chairperson.

Other chairperson

4(8) Where the Premier is not a member of the Manitoba Round Table, the Lieutenant Governor in Council shall designate one of its members as the chairperson for a term of three years, after the expiration of which the Lieutenant Governor in Council may redesignate the member as chairperson for no more than one further term of three years.

Meetings of the Manitoba Round Table

4(9) The Manitoba Round Table shall meet at least three times each year.

Quorum

4(10) A majority of the members constitutes a quorum for the transaction of business at any meeting of the Manitoba Round Table.

Reporting

4(11) The Manitoba Round Table shall submit an annual report on its activities to the minister.

Annual report to be tabled

4(12) The minister shall lay a copy of an annual report received by him or her under subsection (11) before the Legislative Assembly

- (a) within 15 days if the Legislative Assembly is in session; or
- (b) if the Legislative Assembly is not in session, within 15 days after the beginning of the next session.

S.M. 2000, c. 44, s. 2.

Responsibilities of the Department of Conservation and Water Stewardship

- 5 The Department of Conservation and Water Stewardship is responsible for
- (a) providing secretariat, administrative and research support to the Manitoba Round Table and to Cabinet or any committee of Cabinet;
 - (b) coordinating the review of strategy and policy work by the Interdepartmental Planning Board, and any other interdepartmental committee designated by the minister, regarding implementation of sustainable development policy and strategies;
 - (c) coordinating the conduct of tasks set out in this Act, including, but not limited to
 - (i) development and review of the Sustainable Development Strategy under section 7,
 - (ii) development of component strategies under section 7,
 - (iii) development of sustainability indicators for the purpose of section 9,
 - (iv) preparation of the provincial sustainability report under section 10,
 - (v) preparation and review of the provincial sustainable development code of practice under section 11, and
 - (vi) coordination of the implementation of the provisions of this Act relating to provincial public sector organizations;
 - (d) administering the Fund under the supervision of the minister in accordance with Part 7;
 - (e) repealed, S.M. 2000, c. 44, s. 3.

S.M. 2000, c. 44, s. 3; S.M. 2012, c. 40, s. 68.

PART 3 PRINCIPLES AND GUIDELINES

Principles of Sustainable Development enumerated

6(1) The Principles of Sustainable Development for the purposes of this Act are listed in Schedule A.

Guidelines for Sustainable Development enumerated

6(2) The Guidelines for Sustainable Development for the purposes of this Act are listed in Schedule B.

Review of Principles and Guidelines

- 6(3) The Principles and Guidelines
- (a) may be reviewed by the Manitoba Round Table at any time after the coming into force of this Act; and
 - (b) shall be reviewed by the Manitoba Round Table within five years after the coming into force of this Act, and at regular intervals of not more than five years after the initial review.

Manitoba Round Table to make recommendations

6(4) Upon completion of a review under subsection (3), the Manitoba Round Table shall make any recommendations it considers appropriate concerning the Principles and Guidelines to the minister.

PART 4 SUSTAINABLE DEVELOPMENT STRATEGIES

Provincial strategy to be established

- 7(1) The Lieutenant Governor in Council shall
- (a) within two years after the coming into force of this Act, establish a Sustainable Development Strategy for Manitoba in consultation with the Manitoba Round Table; and
 - (b) require the Manitoba Round Table to review the strategy within five years after its establishment, and then at regular intervals of not more than five years after the initial review.

Purpose of the provincial strategy

- 7(2) The Sustainable Development Strategy is intended for the purpose of, but not limited to,
- (a) establishing provincial sustainable development goals;

- (b) establishing a framework for sustainable development policy development; and
- (c) guiding the preparation of specific economic, environmental, resource, human health and social policy component strategies.

Component strategies

7(3) The component strategies created under this Part shall set out strategic plans for achieving sustainability in specific economic, environmental, resource, human health and social policy sectors identified in the Sustainable Development Strategy.

Manitoba Round Table shall consult and advise

7(4) In connection with the development of component strategies under this Part, the Manitoba Round Table shall

- (a) prepare, in consultation with the Interdepartmental Planning Board and departments, and publish draft policies, recommendations and proposed action plans in relation to the component strategies; and
- (b) consult the public on the draft policies, recommendations, proposed action plans and draft component strategies and publish the results of the public consultations, and provide any advice to government that it considers appropriate.

S.M. 2011, c. 35, s. 48.

Strategy or part of strategy may be adopted

8(1) The Lieutenant Governor in Council may adopt by regulation all or part of a component strategy created under this Part.

Content of regulation

8(2) A regulation made under subsection (1) shall contain a list of provisions of Acts of the Legislature or regulations under the authority of which decisions may be made or policies established by persons in government upon which the component strategy or part of a strategy adopted by the regulation may have an impact.

Effect of adoption

8(3) A person making a decision or establishing a policy under a provision listed as required under subsection (2) shall have regard to the guiding principles and policies established in the adopted component strategy or part of a strategy.

Existing enactments to have precedence

8(4) Notwithstanding subsections (1) to (3), an existing enactment that governs or guides a person in the making of a decision or development of a policy referred to in subsection (2) or (3) shall have precedence over an adopted component strategy or part of a strategy.

PART 5**PROVINCIAL SUSTAINABILITY INDICATORS AND REPORTING****Provincial sustainability indicators established**

9(1) The minister shall cause sustainability indicators to be established within three years after the coming into force of this Act.

Manitoba Round Table to recommend indicators

9(2) The Manitoba Round Table shall

- (a) prepare a draft set of indicators;
- (b) consult with the public and with experts regarding the proposed indicators; and
- (c) prepare and submit a report to the minister respecting the proposed indicators and any related issues, setting out any recommendations it considers appropriate.

Provincial sustainability report required

10(1) The minister shall cause a Provincial Sustainability Report to be prepared based on the sustainability indicators within four years after their establishment and thereafter within one year after the release of data from the national census of the Government of Canada, or at such other times as may be decided by the minister.

Report to include progress re procurement

10(2) A Provincial Sustainability Report prepared four years or more after the establishment of procurement goals under subclause 12(2)(a)(ii) shall include a government-wide procurement progress report which evaluates and reports on each department's progress toward meeting the goals.

Data collection

10(3) The Lieutenant Governor in Council may designate a provincial public sector organization to collect data relevant to the indicators, maintain a data base of the data and evaluate the data as necessary for the purpose of this Act.

Report to be tabled

10(4) The minister shall lay a copy of each Provincial Sustainability Report prepared under this section before the Legislative Assembly

- (a) within 15 days of the completion of the Report if the Legislative Assembly is in session; or
- (b) if the Legislative Assembly is not in session, within 15 days after the beginning of the next session.

PART 6**PUBLIC SECTOR OPERATIONS****Provincial code shall be established**

11(1) Cabinet shall

- (a) within three years after the coming into force of this Act, establish a provincial sustainable development code of practice to assist in the integration of sustainable development into the decisions, actions and operations of provincial public sector organizations; and
- (b) require a review of the code of practice within five years after its establishment and at regular intervals of not more than five years after the initial review.

Consultation with departments

11(2) The code of practice shall be developed in consultation with departments.

Financial management guidelines and reporting

12(1) Cabinet shall

- (a) within three years after the coming into force of this Act, establish financial management guidelines for evaluating the sustainability of activities and programs, and cause those guidelines to be integrated into provincial financial management manuals and procedures;
- (b) require a review of the financial management guidelines within five years after their establishment and at regular intervals of not more than five years after the initial review; and
- (c) require each department to integrate into its annual reporting process and requirements, information respecting its progress made in incorporating sustainable development into its activities.

Procurement guidelines

12(2) Cabinet shall

- (a) within two years after the coming into force of this Act
 - (i) establish sustainable development procurement guidelines, and cause those guidelines to be integrated into provincial procurement manuals and procedures, and
 - (ii) establish provincial sustainable development procurement goals, and require that organizational action plans be created to meet those goals; and
- (b) require a review of the procurement guidelines, goals and action plans within five years after their establishment or creation and at regular intervals of not more than five years after the initial review.

Consultation with departments

12(3) The financial management and procurement guidelines shall be developed in consultation with departments.

Crown corporations to adopt code of practice

13 Each Crown corporation shall, within two years after the establishment of the code of practice, prepare and adopt a corporate sustainable development code of practice.

Crown corporations to adopt guidelines

14 Each Crown corporation and provincial public sector organization, except a department, shall, within two years after the establishment of financial management and procurement guidelines under subsections 12(1) and (2),

- (a) prepare and adopt financial management and procurement guidelines consistent with the intent of the guidelines established under those subsections;
- (b) integrate those guidelines into its financial management and procurement manuals and procedures;
- (c) establish procurement goals in support of the established provincial goals, and prepare an action plan to meet its established goals;
- (d) require a review of the guidelines and goals within five years after their establishment and at regular intervals of not more than five years after the initial review; and
- (e) integrate into its annual reporting process and requirements, information respecting progress made in implementing sustainable development practices in its activities and operations.

Guidelines for local authorities and others

15 The Lieutenant Governor in Council shall, within five years after the coming into force of this Act, and in consultation with local authorities, school divisions, universities, colleges, regional health authorities and, in any parts of the province where no regional health authorities exist, hospitals, adopt by regulation

- (a) financial management guidelines for evaluating the sustainability of programs and activities; and
- (b) procurement guidelines;

to be integrated into the financial management and procurement manuals and procedures of those local authorities, school divisions, universities, colleges, regional health authorities and hospitals.

Review may be required

16(1) The minister may

- (a) direct a provincial public sector organization to undertake an internal review and provide a report of its progress in implementing sustainable development practices in its activities;
- (b) request the Auditor General or another independent body to undertake a review and provide a report of the progress of a provincial public sector organization in implementing sustainable development practices in its activities; or
- (c) request the Crown Corporations Council or another independent body to undertake a review and provide a report of the progress of a Crown corporation in implementing sustainable development practices in its activities.

Terms of reference to be established

16(2) The minister shall issue terms of reference for a review under subsection (1).

Report to be tabled

16(3) The minister shall lay a copy of report received under subsection (1) before the Legislative Assembly

- (a) within 15 days if the Legislative Assembly is in session; or
- (b) if the Legislative Assembly is not in session, within 15 days after the beginning of the next session.

S.M. 2001, c. 39, s. 31.

PART 7

SUSTAINABLE DEVELOPMENT INNOVATIONS FUND

Sustainable Development Innovations Fund continued

17(1) The Sustainable Development Innovations Fund is continued under this Act, consisting of amounts appropriated for the purposes of the Fund.

Purpose of Fund

17(2) The purpose of the Fund is to

- (a) provide grants in support of innovative projects, activities, research and developments that further the sustainability of Manitoba's economy, environment, human health and social well-being and support environmentally sustainable economic growth; and
- (b) support any other sustainable development innovation purpose that the Lieutenant Governor in Council considers necessary or advisable.

Payments out of Fund

17(3) Subject to any regulations that may be made by the Lieutenant Governor in Council, payments may be made out of the Fund for

- (a) the amount of any grant made under subsection (4);
- (b) the cost of marketing and promoting the Fund or a funded project; and
- (c) administrative and reporting costs associated with the Fund, including salaries and contract expenses.

Grants

17(4) Subject to any regulations that may be made by the Lieutenant Governor in Council, the minister may make grants consistent with the purpose of the fund on any terms and conditions that he or she considers appropriate.

Regulations re Fund

17(5) The Lieutenant Governor in Council may make regulations

- (a) respecting grants and the terms and conditions on which grants may be made by the minister; and
- (b) respecting the Fund and any payments authorized by subsection (3) to be made from the Fund.

Annual report to be prepared and tabled

17(6) The minister shall cause an annual report on the Fund to be prepared and shall lay a copy of the report before the Legislative Assembly

- (a) within 15 days of the completion of the report if the Legislative Assembly is in session; or
- (b) if the Legislative Assembly is not in session, within 15 days after the beginning of the next session.

PART 8 GENERAL PROVISIONS

Regulations

18 The Lieutenant Governor in Council may make regulations

- (a) designating a board, commission, association or body as a provincial public sector organization within the meaning of section 1 and for the purpose of making this Act apply to it;
- (b) respecting the adoption of a component strategy or a part of a strategy and of financial management or procurement guidelines;
- (c) respecting the review procedures for the Sustainable Development Strategy, sustainability indicators, code of practice, and procurement guidelines;
- (d) designating legislation to be reviewed for consistency with the Principles and Guidelines;
- (e) defining any word or expression used but not defined in this Act;
- (f) prescribing any matter or thing that is required or authorized by this Act to be prescribed by regulation;
- (g) respecting any matter necessary or advisable to carry out the purpose of this Act effectively.

Regulations Act not applicable

19 *The Regulations Act* does not apply to an order of the Lieutenant Governor in Council establishing or revising the Sustainable Development Strategy, sustainability indicators, code of practice or financial management and procurement guidelines.

Crown bound

20 The Crown and agents of the Crown are bound by this Act.

21 **NOTE: This section contained consequential amendments to *The Environment Act* which are now included in that Act.**

C.C.S.M. reference

22 This Act may be cited as *The Sustainable Development Act* and referred to as chapter S270 of the *Continuing Consolidation of the Statutes of Manitoba*.

Coming into force

23 This Act comes into force on a day fixed by proclamation.

NOTE: S.M. 1997, c. 61, except section 3, was proclaimed in force July 1, 1998.

Schedule A

Principles of Sustainable Development

Integration of Environmental and Economic Decisions

1(1) Economic decisions should adequately reflect environmental, human health and social effects.

1(2) Environmental and health initiatives should adequately take into account economic, human health and social consequences.

Stewardship

2(1) The economy, the environment, human health and social well-being should be managed for the equal benefit of present and future generations.

2(2) Manitobans are caretakers of the economy, the environment, human health and social well-being for the benefit of present and future generations.

2(3) Today's decisions are to be balanced with tomorrow's effects.

Shared Responsibility and Understanding

3(1) Manitobans should acknowledge responsibility for sustaining the economy, the environment, human health and social well-being, with each being accountable for decisions and actions in a spirit of partnership and open cooperation.

3(2) Manitobans share a common economic, physical and social environment.

3(3) Manitobans should understand and respect differing economic and social views, values, traditions and aspirations.

3(4) Manitobans should consider the aspirations, needs and views of the people of the various geographical regions and ethnic groups in Manitoba, including aboriginal peoples, to facilitate equitable management of Manitoba's common resources.

Prevention

4 Manitobans should anticipate, and prevent or mitigate, significant adverse economic, environmental, human health and social effects of decisions and actions, having particular careful regard to decisions whose impacts are not entirely certain but which, on reasonable and well-informed grounds, appear to pose serious threats to the economy, the environment, human health and social well-being.

Conservation and Enhancement

5 Manitobans should

- (a) maintain the ecological processes, biological diversity and life-support systems of the environment;
- (b) harvest renewable resources on a sustainable yield basis;
- (c) make wise and efficient use of renewable and non-renewable resources; and
- (d) enhance the long-term productive capability, quality and capacity of natural ecosystems.

Rehabilitation and Reclamation

6 Manitobans should

- (a) endeavour to repair damage to or degradation of the environment; and
- (b) consider the need for rehabilitation and reclamation in future decisions and actions.

Global Responsibility

7 Manitobans should think globally when acting locally, recognizing that there is economic, ecological and social interdependence among provinces and nations, and working cooperatively, within Canada and internationally, to integrate economic, environmental, human health and social factors in decision-making while developing comprehensive and equitable solutions to problems.

Schedule B

Guidelines for Sustainable Development

- 1 **Efficient Use of Resources** - which means
 - (a) encouraging and facilitating development and application of systems for proper resource pricing, demand management and resource allocation together with incentives to encourage efficient use of resources; and
 - (b) employing full-cost accounting to provide better information for decision makers.
- 2 **Public Participation** - which means
 - (a) establishing forums which encourage and provide opportunity for consultation and meaningful participation in decision making processes by Manitobans;
 - (b) endeavouring to provide due process, prior notification and appropriate and timely redress for those adversely affected by decisions and actions; and
 - (c) striving to achieve consensus amongst citizens with regard to decisions affecting them.
- 3 **Access to Information** - which means
 - (a) encouraging and facilitating the improvement and refinement of economic, environmental, human health and social information; and
 - (b) promoting the opportunity for equal and timely access to information by all Manitobans.
- 4 **Integrated Decision Making and Planning** - which means encouraging and facilitating decision making and planning processes that are efficient, timely, accountable and cross-sectoral and which incorporate an inter-generational perspective of future needs and consequences.
- 5 **Waste Minimization and Substitution** - which means
 - (a) encouraging and promoting the development and use of substitutes for scarce resources where such substitutes are both environmentally sound and economically viable; and
 - (b) reducing, reusing, recycling and recovering the products of society.
- 6 **Research and Innovation** - which means encouraging and assisting the researching, development, application and sharing of knowledge and technologies which further our economic, environmental, human health and social well-being.

TAB 3

Focused on What
Matters Most:

Manitoba's Clean Energy Strategy







MESSAGE FROM THE MINISTER

Manitoba is in the unique position of having the resources, experience and wherewithal to become Canada's renewable energy powerhouse. Already a leader in developing one of the cleanest and greenest electricity systems in the world, Manitoba plans to build on those successes and move farther down the path towards fossil fuel freedom.

To help chart that path our government is pleased to release the Manitoba Clean Energy Strategy. This strategy focuses on made-in-Manitoba solutions to harness our water, wind, solar and biomass resources in ways necessary to help provide electricity to power our homes, businesses and industries; energy to heat our buildings; and fuel to drive our vehicles. This strategy is consistent with the principles behind Tomorrow Now – Manitoba's Green Plan, which focuses on protecting the environment while ensuring a prosperous and environmentally conscious economy.

Not only does energy play a critical role in almost every part of our society, but in Manitoba's case, it has become a major cornerstone of our economy. Plans for new hydroelectric generation and transmission require a bold capital program of \$20 billion over the next decade. If they are approved after environmental and economic reviews, these projects will create thousands of jobs, provide us with affordable power well into the future and support our neighbours' needs for clean electricity in the shorter term.

We recognize that fossil fuels like oil and natural gas will continue to be an important part of our society, but our goal is to reduce our reliance on these imported, greenhouse gas emitting and unpredictably priced commodities sooner rather than later. While most jurisdictions can only set 30, 40 or 50 year targets to reduce reliance on fossil fuels, Manitoba has a head start in developing our renewable energy resources in a sustainable way that is good for the economy and benefits the environment.

Our strategy focuses on building new generation hydro; expanding transmission that improves electricity reliability and security; adding more wind power as economics allow; promoting geothermal, biomass and solar for heating needs; developing our biobased fuels; and leading in new cutting edge electric transportation solutions.

Our government will do this in a way that benefits all Manitobans and ensures that our energy is affordable and clean, that it contributes to job creation and business expansion and allows opportunities for greater First Nation partnerships. As Canada's leader in energy efficiency, our government will also continue to balance new energy generation with strong demand side management programs, including Canada's first Pay-As-You-Save, on-meter financing program for efficiency retrofits.

This strategy is all about making energy choices today that will create a stronger economy and a cleaner environment for our future. Is fossil fuel freedom achievable? We're closer than you might think.

Original signed by

Dave Chomiak

Minister of Innovation, Energy and Mines

HIGHLIGHTS

Highlights of Manitoba's Clean Energy Priority Actions include the following.

Building New Hydro

- Ensure that the planning, design, consultations and negotiations necessary for developing substantial new hydroelectric generation, including Keeyask (695 MW) and Conawapa (1485 MW), proceed through environmental and economic review. These new generation hydro projects are being designed to greatly reduce environmental impacts and will be developed in partnership with First Nations.
- Improve Manitoba's transmission system reliability, increase export capabilities, and enhance the development of new hydro and wind energy by constructing a new Bipole III line, expanding interconnections to the US, strengthening the Dorsey convertor station, adding the new Riel Station and advocating for a stronger east-west Canadian grid.
- Work to eliminate the dependence of northern off-grid communities on diesel generation and ensure all Manitoba communities have access to clean renewable power.
- Maximize the economic benefits and job creation from new hydro and transmission developments through the \$30 million Renewable Energy Jobs Fund, a new Energy Opportunities Office, and training support for northern and Aboriginal communities.

Leading Canada in Energy Efficiency

- Through Manitoba Hydro, implement a new On-Meter Financing program that overcomes the high upfront costs that prevent households from implementing energy saving retrofit measures.
- Enhance Manitoba's successful Low Income Energy Efficiency programming, in partnership with social enterprises, to help build community capacity, create jobs and maximize economic benefits.
- Expand The Green Building Policy so that more government funded building construction, renovation and operations are subject to energy efficiency requirements.
- Expedite adoption of National Building Code energy efficiency updates to ensure Manitoba homes and businesses achieve the lowest lifetime costs for energy.
- Advance vehicle-related efficiency through green fleet purchasing policies, support for higher vehicle fuel efficiency standards and promotion of active transportation.
- Support the expansion of voluntary programs to benchmark, rate and label building energy performance. Manitoba will explore and pilot programs that disclose the energy performance of buildings offered for sale or lease.
- Pursue minimum energy efficiency standards for high-energy consuming products where federal standards are deemed inadequate.
- Develop and publish an annual energy efficiency plan that establishes stronger efficiency targets; identifies an expanded range of programming options; sets out costs and benefits; and reports on performance.

Keeping Rates Low

- Place Bill 18 – *The Affordable Utility Rate Accountability Act* – into law to ensure the lowest cost in Canada for a bundle of utility services – that is, the combined rates for electricity for home use, natural gas for home heating and automobile insurance.
- Within the context of *The Affordable Utility Rate Accountability Act*, support predictable, moderate rate increases for Manitoba Hydro over the coming years. The rates should be sufficient to fund the renewal of existing infrastructure; develop new generation, transmission and distribution capacity to serve growing demand; and assure continued reliable service to Manitobans.



Growing Renewable Energy Alternatives

- Continue to develop 1000 MWs of wind power as economically viable. In total, 1,000 MWs is expected to generate \$2 billion in new investment and \$400 million in lifetime revenues to rural communities.
- Accelerate adoption of geothermal heating and cooling systems through Manitoba's Green Building policy, available financial incentives and by promoting community scale district heating opportunities.
- Grow the province's biomass heat industry by directing revenue from the Emissions Tax on Coal to the Manitoba Biomass Energy Support Program.

- Evaluate new production opportunities and increased biofuels content requirements to pursue reductions in gasoline and diesel imports even beyond the \$100 million value currently realized in Manitoba each year.
- Prepare for and accelerate the adoption of electric vehicles in Manitoba by supporting informed decision making by consumers; incorporating electric vehicles into provincial and Crown corporation fleets; providing charging infrastructure support; and expanding electric vehicle demonstration projects.
- Continue to support development of the all-electric battery transit bus and expand the project into a multi-bus and charging demonstration.

Freedom From Fossil Fuels

- Launch a Fossil Fuel Freedom campaign that promotes a path for families to move away from fossil fuel use to clean energy sources for their electricity, heating and transportation needs. This path would help more and more Manitoba families reap the benefits of lower bills, create more local jobs and improve the environment.



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INTRODUCTION

Energy is critical to contemporary society. How we supply energy and how we use it has a major impact both on the prosperity of our economy and on the future health of our planet.

Since the industrial revolution and the advancement of the coal burning steam engine, the world has relied primarily on fossil fuels – coal, oil and natural gas – to meet its energy needs. Today, recognizing the need to reduce the impacts of climate change and better protect the environment, human health and the well-being of their own economies, more and more countries are committed to reducing their dependence on fossil fuels and developing cleaner energy sources. Manitoba is not a mere follower in this movement, but rather a recognized leader for its efforts to become fossil fuel free.

To build on Manitoba's clean energy successes, an energy strategy must incorporate both a clear plan for the future, while at the same time meeting current needs for electric power, heat and transportation fuels. This strategy charts that path forward for Manitoba, setting out practical, clean energy steps and strengthening our position as a renewable energy powerhouse.

The Strategic Objectives

- Supply sufficient energy for our needs and deliver it reliably and securely.
- Provide affordable energy, particularly for those in low income, remote or vulnerable situations.
- Produce and use that energy cleanly, sustainably and in ways which reduce our greenhouse gas

(GHG) emissions. This means in ways which do not degrade the world, at home or abroad, either today or for future generations.

- Ensure that energy is used efficiently, for environmental and economic reasons.

Looking Forward

Manitoba will capitalize on its renewable energy strengths and through innovation, will tap its homegrown clean energy resources allowing more Manitobans to transition to fossil fuel freedom, beginning today, and in the decades to come. It will do this by encouraging more efficient use of energy and by increasing production of clean, renewable energy sources. It will do so while growing its clean energy economy for the benefit of its own citizens as well as neighboring customers.

- Maximize the economic benefits from: constructing and operating energy generation facilities; manufacturing energy related equipment; low rates and improved efficiency; selling energy and expertise abroad; and reducing the economic leakage from the overall Manitoban economy due to imported fossil fuels.

- Increase local control. The value of energy independence and the need for more made-in-Manitoba energy has been made clear by recent decades of volatile energy prices.

Manitoba's clean energy strategy is a focused strategy, one which will demonstrate the government's commitment to build on our underlying and historic comparative advantage in low cost, renewable hydro electricity. It will also build on

our newly arrived advantages in ground-source heat pumps, plug-in electric vehicles and other emerging renewable sources. Together, as these energy sources grow, they will offer Manitobans an increasing array of clean, cost effective, non-fossil alternatives for heating our homes, powering industry and fuelling our vehicles. Finally, woven through these power, heating and transportation initiatives is the constant need to increase energy efficiency and reduce the costs of energy waste.

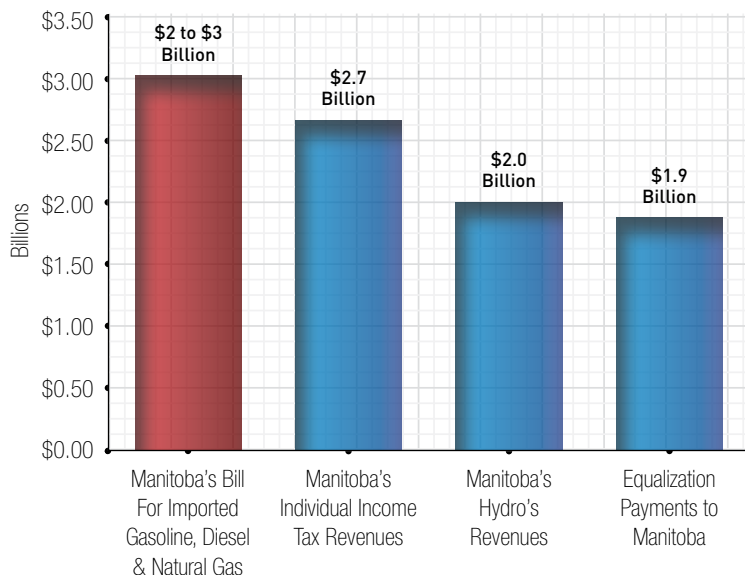
We have the resources. We have the knowledge. We have the infrastructure. And we're already on the move.

Global Challenges

The world's energy supplies have become exceedingly complicated and volatile, with four global forces in particular having significant implications:

1. Oil and natural gas prices have been enormously volatile in the 2000s. For example, natural gas prices fluctuated by as much as 600 per cent in the past decade. The rise of Asia's industrial powerhouses, with their energy needs, make it unlikely that these pressures will lessen in the years to come.
2. Economic leakage from high energy prices has challenged economies globally, with jurisdictions around the world responding by pursuing greater energy independence.

The Annual High Cost of Manitoba's Gasoline, Diesel & Natural Gas Imports



Manitoba has significant oil production in the southwest portion of the province. This oil is not refined in Manitoba but is exported as a commodity for processing. Although this oil is not directly used in Manitoba as an energy source, the industry is a significant contributor to the provincial economy. The industry pays over \$100 million annually to private oil and gas rights owners and has seen investment in the province rise to \$1 billion annually.

3. Energy security has frayed as grid black-outs, oil blow-outs, wars, hurricanes and tsunamis have threatened energy supplies and repeatedly triggered price spikes.
4. Climate change has been accelerated by the GHG emissions from continued fossil fuel use.

Many jurisdictions throughout the world struggle with these forces. While Manitoba has been somewhat insulated because of our strength in renewable hydroelectricity, we all still feel the effects of these forces when it comes time to heat our homes and refuel our vehicles.

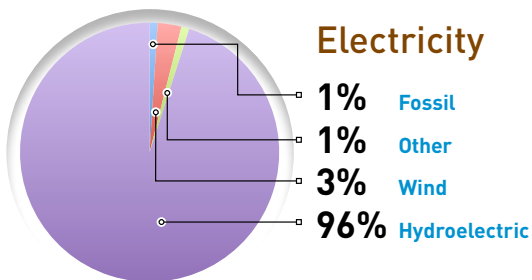
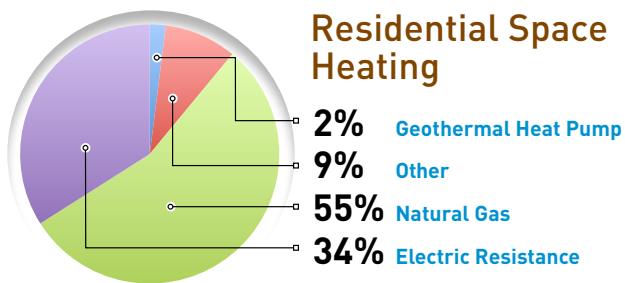
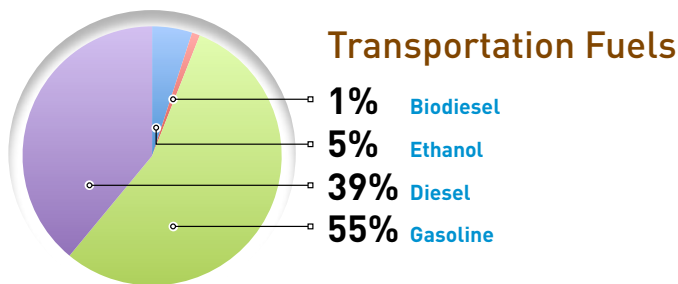
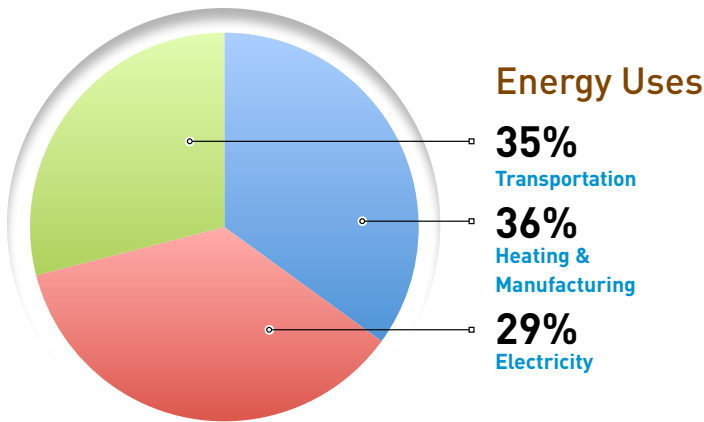
Fortunately, at precisely the same time as these global energy forces have arisen, a series of global clean energy tools and innovations have begun to emerge into the mainstream. For example:

- › In electricity, the past decade saw more wind-power capacity added in the US and in Europe than new coal, nuclear and hydro combined.
- › In transportation, four million hybrid, plug-in hybrid and electric vehicles hit global roads.
- › In heating, more than three million heat pumps have been installed globally since 2005.



Energy in Manitoba

The following charts provide a snapshot of how we use energy in Manitoba.



Notes: i) "Other" in residential space heating represents a mix of renewable wood/biomass, as well as heating oil and propane. ii) The top chart on Energy Uses reflects overall energy use within Manitoba, as outlined by data from Statistics Canada. iii) The lower charts provide energy source breakdowns for selected application uses only.

Because of extreme climate conditions, a relatively large land area, growing population and significant resource based industries, energy is critical to our way of life. Like other jurisdictions, fossil fuel use is woven into that way of life and will continue to be for decades to come. This is because vehicles, heating systems and buildings have lifespans lasting decades, which makes a too rapid change-out uneconomic. However, this timespan also provides Manitobans with the opportunity to customize the shape and timing of their own personal shifts, allowing them to choose clean energy and fossil fuel free technologies when and as they feel the time is right.

Although fossil fuels will be with us for decades to come and we will continue to maintain access to those fuels, Manitoba is in the enviable position of reducing our dependence on them and becoming a renewable energy powerhouse.

- Manitoba has already taken bold steps to ensure our electricity production is more than 98 per cent renewable using hydro and wind resources.
- Manitoba is a Canadian leader in terms of renewable heat (and cooling) with 11,000 geothermal installations.
- Manitoba took early steps with biofuels in terms of production and use to reduce reliance on imported gasoline and diesel.
- Manitoba consistently rates number 1 in Canada in energy efficiency programs and policies.
- Manitoba is breaking new ground in the electrification of transportation, from hybrid taxis to the first plug-in hybrid conversions through to advanced electric bus designs.
- Manitoba is home to well positioned manufacturing and energy service sectors as well as academic institutions that will help produce the innovative technologies and services needed going forward.

Manitoba will not rest on its past accomplishments, but will focus on five strategic areas that will strengthen our position as a renewable energy powerhouse and move us down the pathway towards fossil fuel-freedom. With so much at stake with our energy future, it is important to understand the case for moving forward.

THE CASE FOR MOVING FORWARD AND TODAY'S PRIORITY ACTIONS

1 BUILDING NEW HYDRO

When Manitoba made the long term, strategic decision to develop its own northern hydroelectric assets – rather than going for the quick fix of expanding the use of low cost, but imported and polluting coal – it faced potentially higher costs, as well as a series of risks that seemed, at the time, insurmountable.

Manitoba Hydro Meets and Overcomes the Challenges

Through innovation and determination, Manitoba Hydro met the challenges and constructed a series of new, northern hydroelectric sites, in the face of some of the world's harshest climates. They opted to develop new technology employing the long, high-voltage, DC transmission lines that reliably deliver Manitoba's power over enormous distances. They produced dependable power from highly variable hydraulic flows. And they managed and financed multi-billion dollar, decade-long megaprojects.

Benefits for Manitobans

The benefits we enjoy today were built on these decades of hard work and innovation. But, at their source, was the long term, strategic decision to build on Manitoba's own renewable resources, rather than consume imported fossil fuels. The benefits of that decision have been many and have risen steadily over the years.

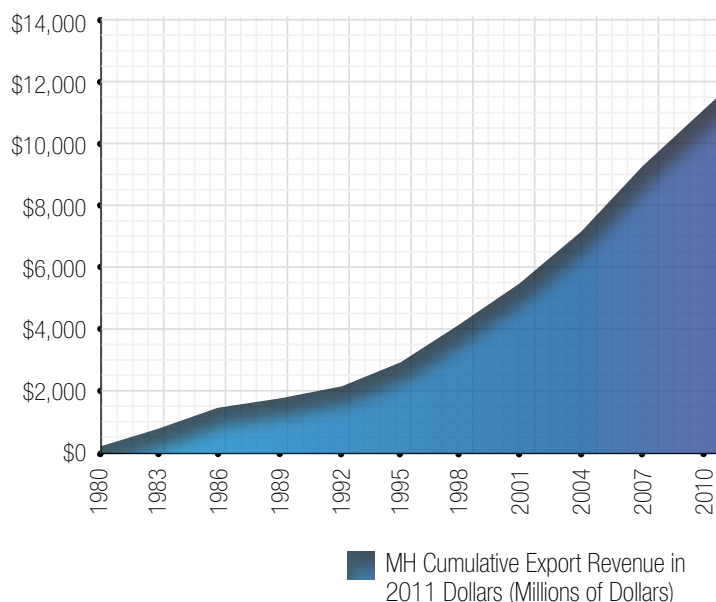
- Manitoba Hydro's rates have been among the lowest on the continent, saving Manitoba families and businesses \$13 billion on their bills since 1998, compared to the average Canadian's rates.
- Through its operations, Manitoba Hydro annually creates 16,580 person-years of employment and adds \$1.4 billion to Manitoba's GDP.
- More than 98 per cent of Manitoba's electricity is renewable, GHGs have been slashed at home; and electricity exports cut 178 million extra tonnes of GHGs from our neighbours' emissions.



Manitoba Hydro's performance provides strong evidence for the value of a fossil fuel free strategy. Using made-in-Manitoba, renewable energy, the province minimizes the need for fossil fuels to generate electricity, while creating huge economic and environmental benefits.

Manitoba Hydro's exports don't just benefit others. Since 1980, export revenues have risen to more than \$11 billion, funds which have helped pay down the costs of the hydro projects themselves and kept rates low for Manitobans. For comparison, this amount is many times the \$1.43 billion cost of the Limestone Generating Station, the last large hydro development prior to the Waskwatim dam.

MH Cumulative Export Revenues 1980 to 2011



Why Build New Hydro?

More electric generation is needed to meet Manitoba's rising demand. Even with the addition of the Wuskwatim dam, wind projects and energy efficiency measures, electricity load growth in Manitoba has outpaced the growth of new supply since the Limestone Generating Station came on stream in 1990.

This situation places increasing pressure on Manitoba's hard won energy independence in electricity. It makes us more dependent on fossil fuel imports during droughts and reduces export surpluses even in higher water years.

Manitoba's electricity demand today is growing by approximately 80 MWs per year. This rising demand requires the equivalent of a new Wuskwatim every two and a half years. Given the historic and sustained upsurge in Manitoba's population and housing starts, as well as continued economic growth, the pressure from rising load appears likely to continue. As domestic demand increases, exports are decreased and the revenue derived from exports – that aids in reducing domestic electricity rates – erodes over time.

Many of Manitoba's export customers have also experienced growth in electrical demand, but they too no longer view coal fired generation as a desirable alternative, whereas hydroelectricity from Manitoba is seen to be clean, renewable and stably priced. However, for export customers to be able to buy new hydro in the future, they often require lead times of many years to build the necessary new transmission.

Manitoba needs new generation to supply rising domestic load, while export customers wish to buy new hydro from Manitoba. By advancing the construction of new hydro plants ahead of domestic needs, Manitoba can both earn additional export revenues and expand valuable interconnection transmission, while also building the plants it will need to meet its own future requirements.

Windows of Opportunity

There are limited windows of opportunity within which Manitoba can sign new, long term export contracts, and receive vital new transmission links. If these windows are missed, customers will lock in with other suppliers, new transmission along with its market expansion and domestic reliability benefits will not be built and the window will close and be lost.

The past few years have offered just such a window, with the decision now before Manitoba.

Why Not Fossil Fuels, Like Coal or Natural Gas, Instead?

Decades ago, the largest fuel source used to generate electricity in North America and the world was coal. It was thought North America possessed endless coal reserves at unbeatable low prices. Manitoba Hydro, at the time, took a minority stand in the region with its decision not to use coal to generate most of its electricity. Over the decades, Manitoba's choice of hydroelectricity has proven itself to be the better one – for the environment, the global climate and the economy.

Manitoba Hydro's electricity is made from more than 98 per cent clean, renewable sources.

Today, the use of coal for electricity generation is being replaced by a new fossil fuel source—shale gas. Although coal plants still generate 44 per cent of the electricity in the United States, power generated by natural gas has doubled to 21 per cent. It is now the dominant source of new electricity in the United States and is rising quickly as old coal burning plants are shut down.

As once was said about coal, natural gas is said today to be available in the same near-endless quantities, and at the same unbeatable low prices. Natural gas has even been positioned as a cleaner fossil fuel than coal.

Manitoba's hydroelectric advantages over natural gas - jobs, stability and sustainability

When considering options, Manitoba's hydroelectricity has clear cut advantages over natural gas:

- Construction of new hydro power will create more jobs and more new business activity for Manitoba than natural gas fired imports or local plants.
- New hydro will emit far fewer GHGs than natural gas over its lifetime.
- While a natural gas plant has a life of 25 to 30 years, a key advantage of hydroelectric plants is that, once built, they will generate power for 100 years. For example, a new project like Keeyask, would likely still be generating power in the year 2100.
- Locally generated hydro will provide greater energy security for Manitoba than imported natural gas.

On the other hand: At 2012's natural gas prices of \$2 to \$3 per gigajoule (GJ), it can be used to produce electric power more cheaply than Manitoba's new hydro plants. But the price of natural gas is extremely volatile – the most volatile of any electricity source, cycling through a range of 600 per cent just over the past decade.

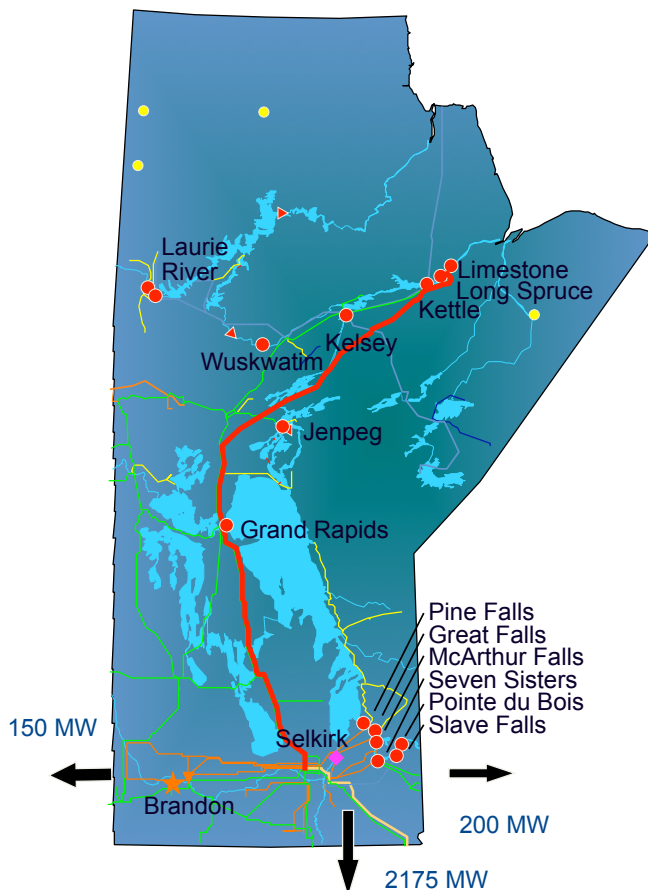
While prices are currently low, natural gas suppliers can't guarantee today's prices for the next 10 years, much less for the next 20 or 30 years or beyond – the years when Manitoba wishes to add new power. The difficulties this poses for long term energy planning in Manitoba can be seen clearly in the forecasts of the major energy planning bodies in North America. These bodies forecast natural gas prices ranging from \$5 to \$11 per GJ in the coming decades. With today's prices at \$2 to \$3 GJ, and Manitoba potentially looking at billions of dollars in investments, this uncertainty leaves Manitoba facing the risk of price swings of hundreds of percentage points if it chooses natural gas supplied projects.

Additional uncertainties surrounding natural gas and in particular shale gas include:

- the level of increased demand flowing from natural gas-powered electricity generation, expanded industrial end uses, transportation and Liquefied Natural Gas (LNG) exports

- the accuracy of estimates of shale gas reserves, production and depletion rates
- the long term sustainability of today's exploration and development business model, in the face of extremely low natural gas prices
- GHG emissions from shale gas exploration and production

With Manitoba's next two major hydro projects potentially coming online from 2019 to 2025, and then earning their major revenues in the decades to follow, natural gas prices in 2012 are of less relevance than the prices in 2032 or 2042. In the long term, Manitoba expects that hydroelectricity will continue to be the better option. Hydro's wide and long-lasting range of benefits – lower GHGs, more jobs and business in Manitoba, more stable prices and greater energy security – will still make hydroelectricity the superior choice.



Generating Stations and Interconnections

2011/12 - Energy

- 80% Nelson River
- 9% Winnipeg River
- 7% Saskatchewan River
- 3% Wind
- 1% Thermal & Imports

- HVDC
- Other Transmission
- ◆ Selkirk - Natural Gas
- ▼ Brandon - Coal
- ★ Brandon - Gas Combustion Turbine
- ▲ Control Structures
- Diesel Sites
- Hydraulic G.S.'s

Today's Hydroelectric Priority Actions

Clean Energy Portfolio

Given the high costs of focusing development on a single new project at a time, Manitoba has made the decision to move a portfolio of diverse, new hydro projects through to the readiness stages. As a result, the province and Manitoba Hydro are taking several projects forward through planning and design, consultation and negotiation with Aboriginal communities, environmental approvals, licensing and permitting.

This means that as and when Manitoba's load or forecast load passes certain thresholds, and as sufficient, firm export contracts are signed, and the economic case moves in favour of approving new supply, Manitoba will be equipped with at least one, and potentially more, projects ready for development. In the same way, if domestic load declines or proposed export contracts are altered or capital costs escalate, Manitoba has the tools to flexibly adapt.

Adopting a Clean Energy Portfolio has also enabled Manitoba to add wind power and other emerging, renewable energies – as well as energy efficiency, improved transmission and the

rehabilitation of older hydro projects – to its potential new supply-side projects.

Finally, use of a portfolio approach allows Manitoba to develop its hydro construction in a staged manner that promotes stability of training and employment opportunities for northern and Aboriginal communities. This allows the province to maximize the overall economic and social benefits.

New Generation Hydro

Each new hydro project has been redesigned to better meet the needs in Manitoba's northern communities and also in a way that ensures projects meet and exceed customer expectations not just today, but over the next 40 or more years. Recent years have made clear that changing customer expectations and political debate elsewhere can dramatically impact Manitoba's long term access to export markets. A new hydro project intending to sell into export markets over a period of decades could lose hundreds of millions of dollars – not by failing to meet the legal standards in place when the contract was signed, but by failing to consider long term future issues and trends.

Manitoba export earnings have surpassed \$11 billion, keeping rates low and supporting the cost of hydro projects.

With this long term view in mind, Manitoba's New Generation Hydro projects embody two major shifts from historic practices:

1. Aboriginal communities are engaged from the earliest stages of planning, as participants during construction, as well as standing to become long term, financial beneficiaries. Aboriginal people are also consulted through the province's Crown consultation process on any action or decision that might affect an Aboriginal or treaty right.



2. The Manitoba government is responsible for environmental and water licensing processes that outline the responsibilities of Manitoba Hydro to be good stewards of the environment. With that in mind, each project has been redesigned to dramatically reduce its environmental impact. Wuskwatim, for example, experienced just 50 hectares (or half a square kilometre) of additional flooding – a fraction of the size of an average Manitoban farm, while Conawapa will flood an area about the same size as an average farm (500 hectares). Many modern shopping malls, residential developments and energy plants take as much or more land than is lost through a New Generation Hydro project.

The New Generation Hydro components of the Clean Energy Portfolio that are under development or potentially available for development include:

- Wuskwatim – a 200 MW project that saw construction launched in 2008 and began generating power in 2012.
- Keeyask – a 695 MW project awaiting final licensing. Construction could run from 2014 to 2021, with first power potentially flowing in 2019.
- Conawapa – a 1,485 MW project, if approved, would see full project construction run from 2018 to 2026, with first power potentially flowing in 2025.

This expansion, of as much as 2,300 MWs, would be large enough to replace the demand growth of recent decades and to meet the expected domestic demand beyond 2020. It would also provide Manitoba with a surplus large enough to support large long term firm contract sales and to gain other revenues from the opportunity export markets.

The potential economic benefits of the total expansion are as impressive, as in previous generations of hydro development.

- The province is looking at \$20 billion in new economic activity over the next decade, with Keeyask and Bipole III alone expected to create 18,000 person years of direct and indirect employment.
- New export contracts worth over \$4 billion are already on offer, with the potential to be added to, if desired. The proceeds will help pay down the cost of the projects, while helping sustain Manitoba's low rates for decades.
- This path offers a reduction in any long term dependency on coal or natural gas, and will reduce long term payments to fossil fuel producers.
- Manitoba's clean, stably priced, hydro exports would add real value to neighbouring systems – being available on-peak if desired, offering greater price stability and reducing their GHG emissions by millions of tonnes a year.

Transmission - Moving Power to Market

Manitoba Hydro's transmission network is large with 11,700 kilometres of transmission lines and 75,000 kilometres of distribution lines. The transmission facilities are developed and operated as an integrated system, with the backbone being two 800-kilometre, high voltage, direct current (HVdc) transmission lines (Bipole I and II). The lines were historically located in a common corridor and transmit over 70 per cent of Manitoba Hydro's annual energy production from its northern hydro stations on the Nelson to southern load centres. The direct current is converted back to alternating current at Dorsey station, northwest of Winnipeg, before being transmitted to the transmission and distribution system, as well as to Ontario, Saskatchewan and the US.

Most of the transmission and distribution facilities are exposed to the elements and can be affected by severe winds, lightning, ice storms and forest fires. The system is planned and built to achieve a high degree of reliability and maintain the delivery of power to its customers.

Manitoba's electric system is dependent on its two backbone HVdc facilities. Should these two facilities suffer a simultaneous catastrophic loss, it could result in extensive, wide spread, lengthy power outages. The number of customers affected, and the duration of their interruption of electrical service, would mainly depend on outside temperatures, with the most severe and extensive power outages occurring during the coldest winter months. Should such a loss occur at the winter peak, Manitoba Hydro has estimated that it could result in a supply interruption of up to 300,000 customers until repairs are completed. As a result, a third HVdc transmission facility, Bipole III, has been proposed to be constructed to assure the reliability of delivery of power to Manitobans.

More widely, new interconnection capacity to electricity markets increases both the reliability of Manitoba's own system, as well as Manitoba's reach into export markets. Should new generation to service additional sales in Minnesota and Wisconsin be approved, new interconnection transmission would be also be required.

Today's Transmission Priority Actions

Manitoba Hydro's transmission work includes developing Bipole III for reliability purposes (expected to be commissioned in 2017), as well as new export transmission interconnections, of different sizes and configurations, to the United States (to be available by 2019.) In addition, strengthening the Dorsey Converter Station will increase reliability, and developing a new Riel Converter Station will provide a second delivery point for northern power.

Manitoba has also forged a national leadership position by advancing the idea of a stronger east-west Canadian grid. The timing and size of Manitoba's enhanced, east-west grid interconnections with Saskatchewan and other provinces will ultimately be determined by the results of ongoing power sale talks. Manitoba will continue to advocate for an improved national electrical grid that can transport clean, renewable energy to every region in Canada.

Taken together, these transmission projects will:

- dramatically improve the long term reliability of Manitoba's system in the face of climatic instability and extreme weather
- enhance the development of new northern hydro as well as southern wind development
- reduce the potential cost of imports by achieving greater market access
- boost both the range and the scale of Manitoba's exports
- strengthen Canada's east-west ties

This is an **unofficial version**.

This version is current as of April 22, 2014.

It has been in effect since December 5, 2013.

Go to an earlier version:

— October 1, 2012 to December 4, 2013

— June 12, 2008 to September 30, 2012

C.C.S.M. c. C135

The Climate Change and Emissions Reductions Act

(Assented to June 12, 2008)

WHEREAS reducing greenhouse gas emissions is essential for the protection of human health and our environment;

AND WHEREAS actions taken by Manitobans can both reduce greenhouse gas emissions and promote sustainable economic development and energy security;

AND WHEREAS almost all electrical power generated in Manitoba is derived from renewable energy sources, and further reductions in the use of carbon-based fuels will make Manitoba's electrical system among the cleanest on the continent;

AND WHEREAS the federal government is taking actions and may take further actions to reduce greenhouse gas emissions from vehicles, and jurisdictions such as California have also taken actions to reduce emissions;

AND WHEREAS reducing greenhouse gas emissions and adapting to the effects of climate change will require co-operative, complementary and compatible activities across all sectors of the Manitoba economy;

THEREFORE HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Manitoba, enacts as follows:

DEFINITIONS

Definitions

1 The following definitions apply in this Act.

"**dealer**" means a person who operates a retail establishment that, in the ordinary course of business, offers new private vehicles for sale or lease in Manitoba. (« concessionnaire »)

"**distributor**" means a person, including a manufacturer, who sells, consigns or delivers new private vehicles to a dealer for sale or lease in the ordinary course of business. (« distributeur »)

"**emissions**" means the release into the atmosphere of greenhouse gases that are attributable to human activity. (« émissions de gaz à effet de serre »)

"**greenhouse gases**" means the following gases:

- (a) carbon dioxide;
- (b) methane;
- (c) nitrous oxide;
- (d) hydrofluorocarbons;
- (e) perfluorocarbons;
- (f) sulphur hexafluoride;
- (g) a prescribed gas. (« gaz à effet de serre »)

"**minister**" means the minister appointed by the Lieutenant Governor in Council to administer this Act. (« ministre »)

"**new private vehicles**" means new passenger vehicles and light-duty trucks sold or leased in Manitoba. (« véhicules particuliers neufs »)

"**prescribed**" means prescribed by regulation under this Act.

PURPOSE

Purpose

2 The purpose of this Act is to address climate change, to encourage and assist Manitobans in reducing emissions, to set targets for reducing emissions and to promote sustainable economic development and energy security.

TARGETS AND PROGRAMS

Initial target

3(1) The initial emissions reduction target for Manitoba is to reduce Manitoba's emissions by December 31, 2012, to an amount that is at least 6% less than Manitoba's total 1990 emissions.

Additional emissions reduction targets

3(2) The Lieutenant Governor in Council may make regulations establishing further emissions reduction targets beyond 2012, including different reduction targets for different greenhouse gases.

Calculating emissions and offsets

3(3) The minister may determine the method of calculating emissions and emissions offsets for the purpose of quantifying Manitoba's emissions in any given year.

Considerations re making determinations

3(4) In making a determination under subsection (3), the minister shall have regard for relevant methodologies and principles that are used in other jurisdictions, including those that participate with Manitoba in regional or international climate change partnerships, and must consult with experts considered knowledgeable about standards for calculating emissions and offsets.

Programs and agreements to combat climate change

4 To assist in meeting the emissions reduction targets established under section 3 and in adapting to the effects of climate change, the minister may

- (a) establish or participate in programs and other measures to reduce emissions; and
- (b) enter into agreements to establish targets and to undertake co-operative, complementary or compatible activities
 - (i) with a person,
 - (ii) with representatives of different sectors of the Manitoba economy, or
 - (iii) if the Lieutenant Governor in Council approves, with the Government of Canada or of another province or a territory, or with an agency of any of them, or with the government of another jurisdiction.

REPORTING

Report on climate change

5(1) For 2010, 2012 and every fourth year after 2012, the minister must prepare a report that

- (a) assesses the current and predicted impacts of climate change for Manitoba; and
- (b) describes the government's policies, programs, incentives and measures for assisting Manitobans and others to reduce emissions and adapt to the effects of climate change.

Report re emissions reductions

5(2) The minister's report must also set out, with reference to the emissions reduction targets established under section 3,

- (a) the emissions reductions that have been achieved, in Manitoba and in other jurisdictions, as a result of actions taken in Manitoba;
- (b) the future emissions reductions that are likely to be achieved, in Manitoba and in other jurisdictions, by 2020 and 2025, as a result of actions taken in Manitoba;
- (c) the programs and measures implemented by the government to encourage and support the activities of others in reducing emissions; and
- (d) the government's efforts to further interjurisdictional co-operation in reducing emissions.

Additional requirement: 2010 report

5(3) In the 2010 report, the minister must state whether Manitoba's total emissions are less in 2010 than what they were in 2000.

TAB 4



Keeyask Generation Project Environmental Impact Statement Executive Summary



June 2012

9. Conclusion

In voting to approve the Joint Keeyask Development Agreement, the Keeyask Cree Nations expressed the hope – a realistic hope based on careful evaluation – that the Project will help to restore harmony and balance to relationships and their lives; and that the Project will provide opportunities for current and future generations while respecting and caring for *Askejz*.

The Project will cause numerous and widespread environmental and social effects, some of which would have had the potential to be significant. However, using past experience, Aboriginal traditional knowledge and leading scientific and engineering techniques, the Partnership has mitigated, remediated and/or compensated for these effects, such that the Partnership is confident the Project should proceed.

The Project will also produce substantial environmental, social and economic benefits, all of which are consistent with the principles of sustainability established by the Governments of Canada and

Manitoba. The Project will contribute to reductions in greenhouse gases and increases in lake sturgeon populations; it will provide training and employment for hundreds of Aboriginal and northern workers; it will enable the Keeyask Cree Nations Partners to build capacity and profit from construction contracts and their investment as equity partners; and it will produce clean renewable energy for Manitobans and export markets. As such, the Partnership believes the Project should be granted regulatory approval to proceed.

