



P.O. Box 815 • Winnipeg Manitoba Canada • R3C 2P4
Street Location for DELIVERY: 22nd floor - 360 Portage Avenue
Telephone / N° de téléphone : (204) 360-3946 • Fax / N° de télécopieur : (204) 360-6147
pjramage@hydro.mb.ca

July 18, 2013

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

Dear Mr. Singh:

RE: MANITOBA HYDRO NFAT
MEANING OF MACRO ENVIRONMENTAL AND SOCIO ECONOMIC

Manitoba Hydro is in receipt of the CAC's letter of July 8, 2013 providing their comments on Manitoba Hydro submission with respect to the intended scope and meaning of the terms macro environmental and socio-economic as used in the Terms of Reference the Need For and Alternatives To (NFAT) review.

Manitoba Hydro sees significant benefit in reaching a common understanding regarding the meaning of macro-environmental impact and socio-economic impact at the outset of the hearing. While government did not see fit to provide a concise definition in the Terms of Reference it did indicate that this review is not to duplicate the work to be done as part of the Clean Environment Commission processes. That direction ought therefore be the guiding principle when considering the scope intended with respect to these matters.

CAC and Manitoba Hydro appear to be in agreement that the analysis should be on the difference in impacts between the different development plans; that it will be done at a coarser level of detail than the Clean Environment Commission's (CEC) environmental review (which the PUB is explicitly instructed not to duplicate); that more detail will be added as the process moves from a screening of options to an evaluation of the Preferred Development Plan and alternative development plans; and that the focus should be on residual effects following the application of mitigation measures.

CAC raises concerns about the topics to be covered. Manitoba Hydro wishes to assure the PUB that the evaluation of the Preferred Development Plan and alternative development plans, including the evaluation contained in the multiple-account benefit-cost analysis, will be balanced. It will include consideration of the full range of environmental and social as well as economic consequences of the different alternatives.

CAC also offered revised definitions of macro-environmental and socio-economic, building on Manitoba Hydro's earlier suggestions by adding the term "for a critical analysis of alternatives." Noting that the intent is to differentiate between the preferred development plan and alternative

development plans, Manitoba Hydro offers the following edit:

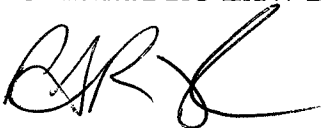
- Macro-environmental: a high level summary of the environmental impacts and benefits sufficient for a **comparative analysis** of alternatives.
- Socio-economic: a high level summary (sufficient for a **comparative analysis** of alternatives) of potential effects to people in Manitoba, including such things as employment; training and business opportunities; infrastructure and services; personal, family and community life; resource use; and heritage resources.

Such a high-level comparative analysis should assist the PUB to achieve its mandate, i.e. to provide a report to the Minister by June 20, 2014 with “recommendations to the Government of Manitoba on the needs for Hydro’s Preferred Development Plan and an overall assessment (emphasis added) as to whether the Plan is in the best long-term interest of the province of Manitoba when compared to options and alternatives.”

Yours truly,

MANITOBA HYDRO LAW DEPARTMENT

Per:



PATRICIA J. RAMAGE

Barrister and Solicitor

PJR/

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