

M A N I T O B A) **Order No. 56/07**
)
THE PUBLIC UTILITIES BOARD ACT) **April 24, 2007**

BEFORE: Graham Lane, C.A., Chairman
Robert Mayer, Q.C., Vice-Chairman

**MANITOBA HYDRO: INTERIM
EX PARTE APPROVAL OF THE CURTAILABLE RATE
PROGRAM REFERENCE DISCOUNT, EFFECTIVE APRIL 1, 2007**

BACKGROUND

On April 20, 2007, Manitoba Hydro (MH) applied to the Public Utilities Board (Board) for interim ex parte approval of MH's Curtailable Rate Program Reference Discount (CRP), effective April 1, 2007.

The application was made pursuant to MH's Terms and Conditions of Service, which were approved by the Board by Order 7/03, February 3, 2003.

Under the Terms and Conditions of Service, MH is required to file the CRP adjusted for inflation on an annual basis. Effective April 1, 2007, MH proposed the discount rate be increased from \$2.89 to \$2.96/kW of curtailable load. The inflation adjustment factor being +2.6%, as reflected in the CPI, published by Statistics Canada April 19, 2007.

BOARD FINDINGS

The Board has reviewed MH's application and will approve the amended CRP effective April 1, 2007, on an interim ex parte basis.

IT IS THEREFORE ORDERED THAT:

1. Manitoba Hydro's application for approval of the Curtailable Rate Program Reference Discount as set out in attached Schedule 1 BE AND IS HEREBY APPROVED on an interim ex parte basis.
2. This Interim Ex Parte Order shall be in full force and effect until confirmed or otherwise by a further Order of the Board following a public hearing.

THE PUBLIC UTILITIES BOARD

"GRAHAM F. J. LANE, C.A.,
Chairman

"G. GAUDREAU, CMA"
Secretary

Certified a true copy of Order No. 56/07 issued
by The Public Utilities Board

Secretary

CURTAILABLE RATE PROGRAM

REFERENCE DISCOUNT

APRIL 2007

FORMULA:

The Monthly Reference Discount shall equal A, where:

A = The amount of the Reference Discount which is related to Generation Deferral benefits, expressed in Canadian Dollars for 2003/04, and adjusted by the annual inflation factor as of April 1 of each fiscal year; i.e. 2004 = +0.2%, 2005 = +3.2%, 2006 = +1.8%, 2007 = +2.6% (see attachment)

REFERENCE DISCOUNT – APRIL 2007:

$A = \$2.75/\text{kW}/\text{month (Cdn. \$)} * +0.2\%, +3.2\%, +1.8\%, +2.6\%$

Reference Discount = $\$2.75 + \$0.01 + \$0.09 + \$0.04 + \$0.07 = \$2.96/\text{kW}$ of curtailable load (Cdn. \$)