

MANITOBA
THE PUBLIC UTILITIES BOARD ACT
THE MANITOBA HYDRO ACT
THE CROWN CORPORATIONS PUBLIC
REVIEW AND ACCOUNTABILITY ACT

Order No. 91/08

June 30, 2008

Before: G. Lane CA, Chair
R. Mayer Q.C., Vice-Chair
S. Proven, P.H.Ec., Member

APPLICATION FOR APPROVAL OF RATES
ARISING OUT OF BOARD ORDER NO. 90/08

Introduction and Direction

On June 30, 2008, the Public Utilities Board (Board) issued Order 90/08 instructing Manitoba Hydro (Hydro) to file revised rates.

Subsequently, and also on June 30, 2008, Hydro made application for the specific and revised rates arising out of Board Order 90/08. Hydro's filing included Rate Schedules (Appendix 1 to this Order), Proof of Revenue (Appendix 2 to this Order) and Bill Comparisons (Appendix 3 to this Order). A copy of Hydro's filing was electronically circulated to all Interveners of Record.

In reviewing Hydro's June 30th application, the Board noted that the proposed July 1, 2008 increase to the Basic Monthly Charge (BMC) computes as 5.77% as opposed to the 5% indicated by Order 90/08. Hydro advised that for billing purposes it is desirable that the BMC be divisible by thirty, this so that the charge can be pro-rated to the day of the month when either a billing cycle starts or a service is transferred to a new customer.

In considering this variance, the Board is mindful of the relatively low additional monthly BMC cost involved for consumers and the fact that the higher percentage increase and charge for the BMC will not affect the overall revenue to accrue to Hydro, as a higher BMC results in a lower volumetric charge to arrive at the overall rate increase directed by Order 90/08. As well, the Board notes that the BMC, as revised, will still not cover all fixed expenses of Hydro, and that another BMC increase is tentatively scheduled for April 1, 2009.

Accordingly, the Board has determined that it will approve the BMC rate as proposed by Hydro for July 1, 2008, and that it will take this "variance" into account when setting the BMC for April 1, 2009.

The Board, having reviewed Hydro's implementation application and, with consideration to the BMC having been provided, as discussed above, is satisfied that the proposed rates are consistent with Order No. 90/08, and will approve the rate schedules attached hereto as of July 1, 2008.

IT IS THEREFORE ORDERED THAT:

The Rate Schedules attached as Appendix 1 to this Order are hereby approved,
effective July 1, 2008.

THE PUBLIC UTILITIES BOARD

“GRAHAM LANE, C. A.”

Chairman

“G. GAUDREAU, CMA”

Secretary

Certified a true copy of Order No.
91/08 issued by The Public Utilities
Board

Secretary