MANITOBA

Order No. 46/14

THE PUBLIC UTILITIES BOARD ACT

April 28, 2014

BEFORE: Régis Gosselin, B ès Arts, CGA, MBA, Chair Larry Soldier, Member Marilyn Kapitany, B.Sc. (Hons.), M.Sc., Member

MANITOBA HYDRO: INTERIM EX PARTE APPROVAL CURTAILABLE RATE PROGRAM <u>REFERENCE DISCOUNT, EFFECTIVE APRIL 1, 2014</u>

BACKGROUND

On April 23, 2014, Manitoba Hydro (MH) applied to the Public Utilities Board (Board) for interim ex parte approval of MH's Curtailable Rate Program Reference Discount (CRP), to be applied to April billings as of April 1, 2014. MH's application was made pursuant to its Terms and Conditions of Service, which were last approved by Board Order 7/03 as modified by Order 90/08 of June 30, 2008.

Under the Terms and Conditions of Service, MH is required to file the CRP adjusted for inflation on an annual basis. Effective April 1, 2014, MH proposed the discount rate be increased from \$3.28 to \$3.36/kW of curtailable load. The inflation adjustment factor is +2.3%, as reflected in the CPI published by Statistics Canada (April 17, 2014).

BOARD FINDINGS

The Board has reviewed MH's application and will approve, on an interim *ex parte* basis, an amended CRP effective April 1, 2014.

IT IS THEREFORE ORDERED THAT:

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

THE PUBLIC UTILITIES BOARD

"Régis Gosselin, B ès Arts, MBA, CGA" Chair

"Kurt Simonsen, P.Eng."

Acting Secretary

Certified a true copy of Order No. 46/14 issued by The Public Utilities Board

Acting Secretary

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CURTAILABLE RATE PROGRAM

REFERENCE DISCOUNT

APRIL 2014

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 2011/12, and adjusted by the annual inflation factor as of April 1 of each fiscal year.

REFERENCE DISCOUNT - APRIL 2014:

A = \$3.17/kW/month (Cdn. \$) * annual consumer price index of

2012 +1.4% 2013 +2.3% 2014 +2.3% (as shown on the following page)

Reference Discount = \$3.17 + \$0.04 + \$0.07 + \$0.08 = \$3.36/kW of curtailable load (Cdn. \$)

Consumer Price Index, by province (monthly) (Manitoba)

	March 2012	February 2013	March 2013	February 2014 to March 2014	March 2013 to March 2014
	2002=100			% change	
Man.					
All-items	122.3	124.3	125.1	0.6	<mark>2.3</mark>
Food	131.8	135.0	136.1	0.8	3.3
Shelter	130.1	134.3	134.5	0.1	3.4
Household operations, furnishings and equipment	113.2	114.9	115.3	0.3	1.9
Clothing and footwear	96.6	93.2	93.7	0.5	-3.0
Transportation	125.7	125.6	128.7	2.5	2.4
Health and personal care	112.5	112.0	111.2	-0.7	-1.2
Recreation, education and reading	105.3	107.50	106.6	-0.8	1.2
Alcoholic beverages and tobacco products	151.2	164.50	166.3	1.1	10.0
All items excluding food	120.4	122.1	123.0	0.7	2.2
All items excluding energy	120.0	122.3	122.6	0.2	2.2
Energy	149.3	146.0	154.6	5.9	3.5
Source: Statistics Canada, CANS Last modified: 2013-04-19.	SIM, table 326	-0020 and C	atalogue no	os. 62-001-X and 6	2-010-X.