

MANITOBA) Order No. 33/15
)
THE PUBLIC UTILITIES BOARD ACT) March 16, 2015

BEFORE: Régis Gosselin, B ès Arts, MBA, CGA, Chair
Richard Bel, B.A.,M.A.,M.Sc., Member
Marilyn Kapitany, B.Sc. (Hon), M.Sc., Member

**PROCEDURAL ORDER IN RESPECT OF
CHALLENGED ROUND 1 INFORMATION REQUESTS
IN MANITOBA HYDRO'S
2014/15 AND 2015/16 GENERAL RATE APPLICATION HEARING**

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1.0 Executive Summary

By this Order, the Board adjudicates impugned Round 1 Information Requests issued by the Public Utilities Board and approved Interveners in Manitoba Hydro's 2014/15 and 2015/16 General Rate Application. By this Order, the Board further adjusts the hearing timetable with respect to the timeline for responding to Information Requests ordered to be answered and submitting resulting Round II Information Requests.

2.0 Procedural History

In Board Order 18/15, the Public Utilities Board ("Board") granted Intervener status to six Interveners in Manitoba Hydro's 2014/15 and 2016/17 General Rate Application (GRA) and established a written process by which impugned Round 1 Information Requests (IRs) to Manitoba Hydro could be adjudicated by the Board.

Following the issuance of Round 1 Information Requests to Manitoba Hydro, the Board received written submissions from Manitoba Hydro on February 23 and 25, 2015 in which Manitoba Hydro challenged a number of IRs issued by the Board, the Consumer Coalition (Coalition), Manitoba Keewatinowi Okimakanak (MKO), MKO jointly with the Coalition, the Manitoba Métis Federation (MMF) and the Manitoba Industrial Power Users Group (MIPUG).

Manitoba Hydro's position in respect of Board Advisor IRs is set out in **APPENDIX A** to this Order.

By letter dated March 2, 2015, the Board requested Interveners to correspond directly with Manitoba Hydro with respect to the resolution of any impugned IRs, and further requested Interveners to set out a written reply to Manitoba Hydro's refusals for any IRs requiring adjudication by the Board. In response to this request, the Board received four requests for adjudication from Interveners:

1. Coalition (March 9, 2015) – **APPENDIX B** to this Order

2. MKO/Coalition (March 10, 2015) – **APPENDIX C** to this Order
3. MMF (March 10, 2015) – **APPENDIX D** to this Order
4. MIPUG (March 5, 2015) – **APPENDIX E** to this Order

MKO did not file a request to adjudicate any of the three MKO IRs challenged by Manitoba Hydro. Accordingly, the Board assumes that pursuant to its March 2, 2015 direction, MKO was able to reach a satisfactory resolution with Manitoba Hydro and does not make a ruling with respect to these IRs at this time.

3.0 Information Requests by Board Advisors

The Board Advisors' IRs and Manitoba Hydro's position with respect to refused IRs is set out in **APPENDIX A** to this Order. The Board's ruling with respect to impugned Board Advisor IRs is as follows:

PUB/MH I-1(c): No answer required. The Board accepts Manitoba Hydro's submission that this question may require the disclosure of cabinet confidences.

PUB/MH I-11(a) and (d) and I-36(b): Modified answer required. Manitoba Hydro is to file a "track changes" version of the renegotiated Wuskwatim Power Limited Partnership (WPLP) agreement once it has been finalized. In the interim, Manitoba Hydro is to provide a detailed description of any underlying changes in assumptions from the existing agreement that have been incorporated into the General Rate Application (GRA).

PUB/MH I-14(b), I-16(a), I-64(c), I-81(c), and I-83(c). To be answered in confidence under Rule 13 of the Board's Rules of Practice and Procedure. The questions are relevant and confidentiality issues can be accommodated by utilizing the ability to file documents in confidence. The Board notes that PUB/MH I-16(a) seeks the quantity of energy and capacity sold in GWh and MW, not the revenue realized from such sales.

PUB/MH I-18(h) and 19(b): Answer required. In light of Manitoba Hydro predicating required rate increases to a large extent on capital spending, the questions are relevant and the Board will require an answer.

PUB/MH I-24(a): Redacted and unredacted filing required. Similar to what was done in the NFAT Review, Manitoba Hydro is to file a redacted listing on the public record and is to file an unredacted version in confidence using Rule 13 of the Board's Rules of Practice and Procedure.

PUB/MH I-41(a) and (b): Answer required. The questions are relevant and the Board notes that Gannett Fleming's cover letter in Appendix 5.6 to the GRA authorizes the release of the requested information.

PUB/MH I-42(b): Answer required. The question is relevant to the examination of depreciation expense in the test years and beyond.

PUB/MH I-56(d): Answer required. The question is relevant and seeks aggregate information, namely a comparison of average annual export prices, imports and DSM revenues. As such, the Board does not accept that an answer requires the disclosure of sensitive third-party information subject to consent.

PUB/MH I-62(a): Answer required. The question is relevant and seeks volumes, not prices. It is the Board's understanding that such data can be gleaned from redacted contracts previously filed by Manitoba Hydro and does not require the disclosure of commercially sensitive information.

PUB/MH I-62(b): Answer required. The question seeks a seasonal analysis of the type of export sales achievable from hydraulic generation resources and to indicate energy and capacity purchases (volumes, not revenue) required to achieve the sales listed in the question.

PUB/MH I-66(b): Answer required. The question is relevant and seeks clarification regarding an assumption made by Manitoba Hydro.

PUB/MH I-78(a) and (b) and I-79(a) and (b): No answer required. The questions are relevant but the Board is prepared to defer them until the next GRA, at which point the Board anticipates the Clean Environment Commission process to have concluded.

PUB/MH I-80(a)-(d): Answer required. The questions are relevant and will assist the Board in understanding the range for financial implications from changes to Manitoba Hydro's Lake Winnipeg Regulation licence.

PUB/MH I-84(d): Answer required. Access to the KPMG Terms of Reference will assist the Board in understanding the scope of the proposed risk review.

4.0 Information Requests by the Consumer Coalition

Submissions with respect to the impugned Coalition IRs are set out in **APPENDIX B** to this Order. The Board's ruling in respect of the impugned Coalition IRs is as follows:

COALITION/MH I-6(g): Modified answer required. The Board accepts the Coalition's suggested modified response as meeting the spirit of the otherwise relevant IR while sufficiently addressing Manitoba Hydro's confidentiality concerns.

COALITION/MH I-9(a) and (b): Answer required. The Board accepts the Coalition's submission that Manitoba Hydro misinterpreted the question. With the benefit of the Coalition's clarification, Manitoba Hydro is to provide a response.

COALITION/MH I-13(a)-(c), I-14(a)-(c), I-15(c), I-18(a)-(b), I-19(a)-(c) and (e)-(g), I-26(a)-(b), 28(a), I-39(a)-(b), I-61(a), and I-63(a): Modified answer required. The Board accepts the Coalition's argument that the last GRA was based on IFF 11-2, while the current GRA is based on IFF-14. Where the Coalition is seeking comparisons between IFFs, Manitoba Hydro is to provide a comparison between IFF-14 and IFF 11-2. Similarly, where the Coalition is seeking a comparison between actual and projected data for any years prior to the test years, Manitoba Hydro is to compare the actual data to the projections made in IFF-11-2 and not IFF-12.

COALITION/MH I-19(d): Answer required. The Coalition has advised that Manitoba Hydro has withdrawn its objection to this request.

COALITION/MH I-23(a)-(c): Modified answer required. The Board did not rule in Order 18/15 that the topic of Demand Side Management (DSM) is not relevant to the GRA. Rather, the Board stated that since an extensive DSM review took place during the NFAT, the Board intends to limit its review of DSM in this GRA to the reasonableness of the proposed DSM expenditures during the test years. The Board

considers these IRs to be in scope. However, as indicated above, the Board accepts the Coalition's argument that the last GRA was based on IFF 11-2, while the current GRA is based on IFF-14. Where the Coalition is seeking comparisons between IFFs, Manitoba Hydro is to provide a comparison between IFF-14 and IFF 11-2. Similarly, where the Coalition is seeking a comparison between actuals and projections for past years, they are to be referenced in the projections set out in IFF-11-2.

COALITION/MH I-24(a) and (c)-(e): Answer required. The Board accepts the Coalition's submission that this IR is intended to trace the accuracy of Manitoba Hydro's forecasting methodology, and that an incremental comparison between IFF 11-2, IFF-12, IFF-13 and IFF-14 is required.

COALITION/MH I-32ci-vi, I-35, I-37(a), I-45(b), I-62(a)-(b), and I-64(a): Answer required. These information requests seeks relevant information and must be answered as posed.

COALITION/MH I-67(a)-(b), and I-68(a)-(b): Answer required. The Board did not rule in Order 18/15 that the topic of Demand Side Management (DSM) is not relevant to the GRA. Rather, the Board stated that since an extensive DSM review took place during the NFAT, the Board intends to limit its review of DSM in this GRA to the reasonableness of the proposed DSM expenditures during the test years. The Board considers these IRs to be in scope.

COALITION/MH I-75(a)-(b), 76(a)-(c), 77(a)-(c), 78(a)-(c), 79(a)-(c), and 80(a)-(b): No answer required. These IRs deal with the status of various matters relating to rates in the remaining four Manitoba diesel communities. In the current GRA, Manitoba Hydro is seeking an across-the-board rate increase for all rate classes, including the existing rates in the diesel communities. As noted in Order 18/15, MKO has still not filed the executed Settlement Agreement with respect to the diesel communities. The Board is of the view that the issues raised in these IRs should be

examined after the Settlement Agreement has been filed. Accordingly, it will not require Manitoba Hydro to answer the IRs at this time.

COALITION/MH I-82, I-83(a)-(b), I-84(a)-(c), I-85(b)-(g), I-86(a), I-87(a), I-88(a), I-89(b), I-90, I-91, 93(b)-(e), 97(a)-(d), and I-100(a)-(e): Modified answer to be provided. At this time, the Board will not require Manitoba Hydro to file electronic models or spreadsheets with formulae intact. However, the Board recognizes that there may be valid reasons for Interveners to request electronic models and spreadsheets for purposes of testing the evidence of a regulated utility in a hearing before the Board. The Board notes the Coalition's submission that in the Lake Winnipeg Regulation hearing before the Clean Environment Commission, an electronic model is currently being shared by Manitoba Hydro and made available to Interveners. The Coalition further submitted that other jurisdictions currently require regulated utilities to share models.

In the Board's opinion, this issue cannot be adequately canvassed in the Information Request process. It is the Board's intention to hold a separate hearing in due course to develop principles and guidelines for the filing of electronic documentation, which would apply to all utilities regulated by the Board. Until that time, the Board will follow its past practice not to require electronic models.

The Board finds that to the extent specific information or data is requested by these IRs, such information and data is relevant. Accordingly, the Board directs Manitoba Hydro to respond to the IRs. However, the Board recognizes that there are compelling reasons to share data in a manner that can be manipulated by Interveners and their consultants as required and will not place unnecessary strain on parties' resources as a result of manual data entry being required. Accordingly, where the IRs request data, the Board directs Manitoba Hydro to:

- Provide any requested data in native spreadsheet format wherever possible; and

- Where this is not possible, provide the data
 - in PDF format created by converting the native data format to PDF in such a manner as to allow recipients to re-convert the data into native spreadsheet format; or
 - another data-only format acceptable to the relevant Intervener.

The Board encourages the Interveners and Manitoba Hydro to agree on acceptable data formats that will accomplish the Board's Directive.

COALITION/MH I-104(b): No answer required. The Board notes that the Coalition has withdrawn this question.

COALITION/MH I-105(a)-(l): No answer required. The Board considers the information sought by this IR to be best suited to a more comprehensive risk review of Manitoba Hydro. In light of Manitoba Hydro having commissioned KPMG to provide a report regarding Manitoba Hydro's risks, the Board considers the information sought to be more appropriately addressed at the next GRA, once the KPMG report has been received. While to date, the Board has not been presented with KPMG's Terms of Reference, the Board notes that it expects KPMG to address the issues raised by this IR, as they address relevant matters regarding risk.

Coalition/MH I-107(a), (c) and (g) and I-108(a) and (c): Answer Required. The Board considers these IRs relevant to Manitoba Hydro's financial forecasting and projected interest expense. As such, Manitoba Hydro is to respond.

5.0 Information Requests by MKO in Conjunction with the Consumer Coalition

Submissions with respect to the impugned MKO-Coalition IRs are set out in **APPENDIX C** to this Order. The Board's ruling in respect of the impugned MKO/COALITION IRs is as follows:

MKO-COALITION/MH I-4: Modified answer required. The Board accepts the proposed revised IR. Manitoba Hydro is to file the 2013-2014 Power Smart Annual Review once it has been finalized.

MKO-COALITION/MH I-6(a)-(k), I-7(a)-(d), I-8(a)-(f), and I-10(a)-(c): No answer required. The Board did not rule in Order 18/15 that the topic of Demand Side Management (DSM) is not relevant to the GRA. Rather, the Board stated that since an extensive DSM review took place during the NFAT, the Board intends to limit its review of DSM in this GRA to the reasonableness of the proposed DSM expenditures during the test years. In light of the extensive examination of DSM issues that took place in the NFAT Review and the current state of flux with respect to the Board's DSM-related recommendations flowing from the NFAT, the Board considers the requested detailed information to be unnecessary for this GRA and will not require Manitoba Hydro to provide the requested information in this hearing. However, the Board is not making a ruling as to the relevance of the requested information for future GRAs at which DSM may be examined in greater detail. The Board encourages the Coalition and MKO to turn their mind to what DSM-related information should form part of future Minimum Filing Requirements (MFRs) for Manitoba Hydro.

MKO-COALITION/MH I-11(a)-(d): Answer required. The Board did not rule in Order 18/15 that the topic of Demand Side Management (DSM) is not relevant to the GRA. Rather, the Board stated that since an extensive DSM review took place during the NFAT, the Board intends to limit its review of DSM in this GRA to the reasonableness of the proposed DSM expenditures during the test years. This IR is relevant to the issues and must be answered.

MKO-COALITION/MH I-12: No answer required. The Board notes that MKO and the Coalition have withdrawn this IR.

6.0 Information Requests by the Manitoba Métis Federation

Submissions with respect to the impugned MMF IRs are set out in **APPENDIX D** to this Order. The Board's ruling in respect of the impugned Coalition IRs is as follows:

MMF/MH I-16(a)-(d), I-17(a)-(i), I-19(a)-(h), I-20(a)-(n), I-21, I-23(a)-(b), I-27, I-32, : **No answer required.** The Board did not rule in Order 18/15 that the topic of Demand Side Management (DSM) is not relevant to the GRA. Rather, the Board stated that since an extensive DSM review took place during the NFAT, the Board intends to limit its review of DSM in this GRA to the reasonableness of the proposed DSM expenditures during the test years. The Board further accepts that these IRs are not outside the scope of the issues on which the MMF was approved to intervene, as there is a causal connection to rate impacts. However, in light of the extensive examination of DSM issues that took place in the NFAT Review and the current state of flux with respect to the Board's DSM-related recommendations flowing from the NFAT, the Board considers the requested detailed information to be unnecessary for this GRA and will not require Manitoba Hydro to provide the requested information in this hearing. However, the Board is not making a ruling as to the relevance of the requested information for future GRAs at which DSM may be examined in greater detail. The Board encourages the MMF to turn its mind as to what DSM-related information should form part of future Minimum Filing Requirements (MFRs) for Manitoba Hydro.

MMF/MH I-18(a)-(b), I-22(a)-(b), I-35(a)-(d): **No answer required.** The MMF was approved to intervene on rate impacts to rural, low-income, all-electric and small-to-medium business customers. These IRs relate to overall DSM measures and not rate impacts. As such, they are outside the scope of the MMF's approved intervention.

MMF/MH I-39(a)-(c): **Answer required.** The Board notes that this IR is a general DSM-related question that falls outside the scope of the MMF's approved

intervention. However, the Board is of the view that this IR will be of assistance to the Board in determining the appropriateness of DSM expenditures during the test years and, as such, requests Manitoba Hydro to answer this IR.

MMF/MH I-40(a)-(j): Modified answer required. Manitoba Hydro is to answer sub-parts (a), (c), (d), (e), (f) and (h), as they relate to the MMF's approved scope of intervention. In that respect, the Board accepts that sub-part (h) may be required for comparison purposes. Manitoba Hydro is not required to provide an answer to sub-parts (b), as this does not relate to the MMF's approved scope of intervention.

MMF/MH I-45(a), I-50(a)-(m), I-51(a)-(b), I-52, I-55, and I-56(a)-(c), : Modified answer required. The Board notes that Manitoba Hydro and the MMF have negotiated a mutually agreeable response.

MMF/MH I-49: No answer required. Neither the Board nor Manitoba Hydro have jurisdiction over provincial poverty funding. As such, the Board does not consider the IR relevant.

MMF/MH I-54: No answer required. The Board accepts Manitoba Hydro's submission that internal presentations to the Manitoba Hydro-Electric Board on the enumerated issues are not required in this proceeding.

7.0 Information Requests by MIPUG

Submissions with respect to the impugned MIPUG IRs are set out in **APPENDIX E** to this Order. The Board's ruling in respect of the impugned MIPUG IRs is as follows:

MIPUG/MH I-1(a)-(b), I-2, I-3(a)-(c), I-39(a)-(c): Answer required. The Board did not rule in Order 18/15 that the topic of Demand Side Management (DSM) is not relevant to the GRA. Rather, the Board stated that since an extensive DSM review took place during the NFAT, the Board intends to limit its review of DSM in this GRA to the reasonableness of the proposed DSM expenditures during the test years.

Furthermore, in Order 18/15, the Board specifically approved MIPUG to intervene with respect to the impact of DSM on large ratepayers. The Board considers these IRs to be in scope.

MIPUG/MH I-5: Modified answer required. The Board considers this IR to be relevant and will require Manitoba Hydro to answer the revised IR as proposed by MIPUG.

MIPUG/MH I-13(a): Modified answer required. The Board accepts that the first part of this IR would require the disclosure of cabinet confidences. However, the second part of the IR, namely “What is the implication of the removal of sinking fund requirements on revenue requirement?” is a relevant question that Manitoba Hydro is directed to answer.

MIPUG/MH I-14(d): Answer required. This IR is relevant to an examination of whether or not Internal Financial Reporting Standards should be implemented for purposes of rate regulation. The Board notes that the requested information was provided in the last GRA and MIPUG is simply seeking an update.

MIPUG/MH I-16(a)-(b): Answer required. This IR is relevant to an examination of projected depreciation expense.

MIPUG/MH I-19(c): Modified answer required. This IR is relevant to an examination of depreciation expense. The Board notes that the revised proposed IR set out by MIPUG seeks schedules to the disclosure of which Gannett Fleming consents in its cover letter to Appendix 5.6 of the GRA.

MIPUG/MH I-29(b): Modified answer required. The Board will not require the disclosure of cabinet confidences. However, Manitoba Hydro is to file any documentation and provide details with respect to any discussions that are on the public record.

MIPUG/MH I-33: No answer required. The Board considers the information sought by this IR to be best suited to a more comprehensive risk review of Manitoba Hydro. In light of Manitoba Hydro having commissioned KPMG to provide a report regarding Manitoba Hydro's risks, the Board considers the information sought to be more appropriately addressed at the next GRA, once the KPMG report has been received.

8.0 Procedural Matters

Order 18/15 set a deadline of March 12, 2015 to provide answers to Round I IRs. On March 12, 2015, Manitoba Hydro filed its responses to a substantial number of Round 1 Information Requests. In Manitoba Hydro's March 12, 2015 correspondence Manitoba Hydro sought an amendment to the PUB Schedule provided in Board Order 18/15. The Board will accept Manitoba Hydro's proposed schedule with the additional requirement that Manitoba Hydro is to respond to Round 1 Information Requests adjudicated by this Order by March 20, 2015. All parties are encouraged to make best efforts to file their Information Requests in advance of the due date to allow for as much time as possible for parties to respond.

Appendix F attached to this Order contains a revised hearing timetable.

As previously stated, in this hearing, the Board will not limit Round II IRs to information arising from specific Round I IRs.

The Board recognizes that Interveners spent a significant amount of time to respond to impugned IRs. It is not the Board's intention at this time to count the time spent by Interveners and their counsel to respond to IR refusals towards their previously approved budgets. However, as all parties are aware, the Board retains its discretion with respect to any cost awards to be made after the hearing of the GRA.

9.0 IT IS ORDERED THAT:

1. Manitoba Hydro provide responses to impugned Round 1 Information Requests as per the individual rulings in the body of this Order by no later than March 20, 2015; and
2. The Hearing timetable provided in Board Order 18/15 is revised with the Hearing Timetable provided in Appendix F.

Board decisions may be appealed in accordance with the provisions of Section 58 of *The Public Utilities Board Act*, or reviewed in accordance with Section 36 of the Board's Rules of Practice and Procedure. The Board's Rules may be viewed on the Board's website at www.pub.gov.mb.ca.

THE PUBLIC UTILITIES BOARD

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

"Kurt Simonsen"
Acting Secretary

Certified a true copy of Order No. 33/15
issued by The Public Utilities Board

Acting Secretary



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
PUB/MH-I-1c

Section:	2	Page No.:	21 of 49
Topic:	Application Overview		
Subtopic:	Revenue Requirement		
Issue:	Projected Losses		

PREAMBLE TO IR (IF ANY):

Manitoba Hydro states that even with the proposed and indicative rate increases, Manitoba Hydro is projecting losses on electric operations in 2018/19 to 2023/24 totalling approximately \$900 million as forecast domestic and export revenue will not be sufficient to cover the increased costs.

QUESTION:

File all consultation, briefing and approval documents relating to (a) and (b). If necessary, file in confidence using Rule 13 of the Board's Rules of Practice and Procedure.

RATIONALE FOR QUESTION:

Manitoba Hydro's IFF shows a projected \$900 million loss to Manitoba Hydro.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro cannot disclose cabinet confidences nor does it disclose advice, opinions, recommendations, analyses or policy options developed by or for a minister.



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PUB/MH-I-11a

Section:	Tab 3 App. 3.3 IFF14Tab 11.4	Page No.:	Sect. 10.0, p.13App. 11.4 (WPLP), p.1, App. 11.6, p.2 of 13
Topic:	Integrated Financial Forecast & Economic Outlook		
Subtopic:	Wuskwatim Power Limited Partnership (WPLP)		
Issue:	Cost impacts to MH Ratepayers of the Amended WPLP Agreement		

PREAMBLE TO IR (IF ANY):

In WPLP (IFF12) Undertaking #8 (Dec 19, 2012), Manitoba Hydro indicated the in-service finance expense for the partnership would be \$75M for 2015, which corresponds to a total project cost of \$1.25B and not the \$1.67B total project cost reference in IFF11-2.

QUESTION:

Please file a copy of, or link to, the most recent amended version of the WPLP Agreement.

RATIONALE FOR QUESTION:

This Information Request explores the financing of the WPLP and any impact on Manitoba Hydro.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

There is no formal agreement between Manitoba Hydro and the Wuskwatim Power Limited Partnership at this time. As indicated in response to PUB Directive 11 from Order 43/13, the parties are still in the process of reviewing and negotiating final terms, which when concluded, will be incorporated into a written agreement.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
PUB/MH-I-11d

Section:	Tab 3 App. 3.3 IFF14Tab 11.4	Page No.:	Sect. 10.0, p.13App. 11.4 (WPLP), p.1, App. 11.6, p.2 of 13
Topic:	Integrated Financial Forecast & Economic Outlook		
Subtopic:	Wuskwatim Power Limited Partnership (WPLP)		
Issue:	Cost impacts to MH Ratepayers of the Amended WPLP Agreement		

PREAMBLE TO IR (IF ANY):

In WPLP (IFF12) Undertaking #8 (Dec 19, 2012), Manitoba Hydro indicated the in-service finance expense for the partnership would be \$75M for 2015, which corresponds to a total project cost of \$1.25B and not the \$1.67B total project cost reference in IFF11-2.

QUESTION:

Provide the detailed revenue calculations used for WPLP (IFF14) and compare that with the revenue calculations in IFF12.

RATIONALE FOR QUESTION:

This Information Request explores the financing of the WPLP and any impact on Manitoba Hydro.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

As indicated in response to PUB Directive 11 from Order 43/13, the parties are still in the process of reviewing and negotiating final terms and Manitoba Hydro not in a position to provide the detailed revenue calculation. Once the agreement is finalized and executed, Manitoba Hydro will provide the detailed revenue calculation and comparison as requested.

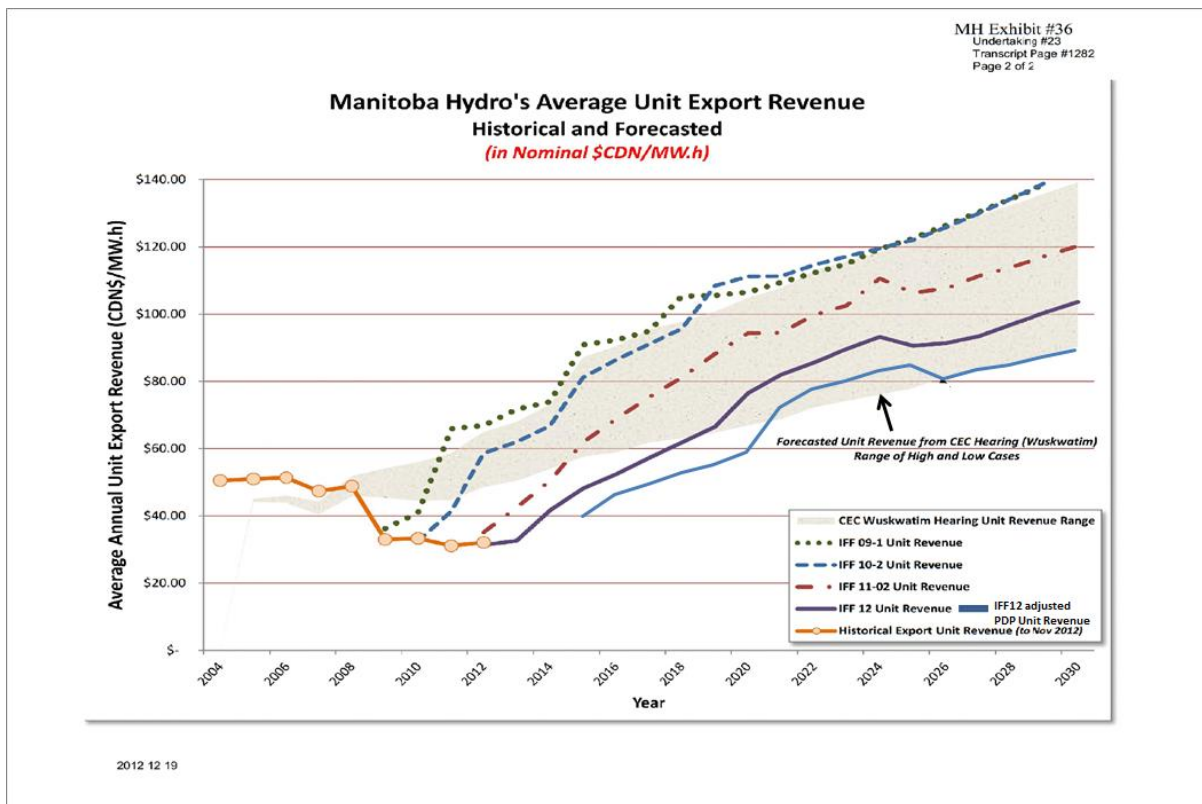


Manitoba Hydro 2014/15 & 2015/16 General Rate Application
 PUB/MH-I-14b

Section:	Tab 3, App. 3.3MFR (not filed)	Page No.:	Sect. 5.0, pp. 6 & 7
Topic:	Integrated Financial Forecast & Economic Outlook		
Subtopic:	Export Revenues		
Issue:	Average Unit Export Revenue Calculations		

PREAMBLE TO IR (IF ANY):

Manitoba Hydro has previously filed a historical graph of unit export prices.



QUESTION:

In the detailed MFR calculations for IFF MH14, provide separate line items for Firm Contract Sales, Peak Opportunity Sales and Off-Peak Opportunity Sales (MFR).

RATIONALE FOR QUESTION:



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
PUB/MH-I-14b**

This Information Request explores changes to unit export prices which affect export revenue assumptions and domestic revenue requirement.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested would disclose export price forecasts that are commercially sensitive and confidential, and contract information that is commercially sensitive and subject to confidentiality provisions, which require the consent of counterparties prior to filing with the PUB either as part of the GRA or in confidence. Manitoba Hydro submits that it has provided sufficient information on an aggregate basis in its GRA in order for the PUB to determine the effect of export prices on the revenue requirements in its application.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
PUB/MH-I-16a

Section:	Tab 3, App. 3.3	Page No.:	Sect. 5, p.6
Topic:	Integrated Financial Forecast & Economic Outlook		
Subtopic:	Extra Provincial Revenue		
Issue:	Energy & Capacity Sales into the Export Market		

PREAMBLE TO IR (IF ANY):

Manitoba Hydro's Tab 3, App. 3.3 Section 5.0 listing of long term export contracts should equate to the Tab 9 (p. 7 of 23) listing of contracted exports:

2014/15	-	4537 GWh
2015/16	-	4051 GWh
2016/17	-	3406 GWh
2017/18	-	4339 GWh
2018/19	-	3282 GWh
2019/20	-	3192 GWh

QUESTION:

Please provide annual firm energy and capacity sales anticipated under each contract during the 2014/15 to 2019/20 period.

RATIONALE FOR QUESTION:

This Information Request seeks to reconcile listed export contracts with projected export revenues.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

As indicated in Tab 9 Page 15 to 23, lines 12 to 15 of the Application:



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
PUB/MH-I-16a**

“All long-term sales agreements, term sheets, memorandum of understandings and discussions are protected by confidentiality provisions and mutual non-disclosure agreements signed by Manitoba Hydro and the respective counterparty. Therefore, specific pricing and terms and conditions cannot be provided in a public forum.”



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
PUB/MH-I-18h

Section:	Tab 4: Sustaining Capital Figures 4.11 & 4.12	Page No.:	11,12
Topic:	Capital Expenditures		
Subtopic:	Sustaining Capital Expenditures		
Issue:	Target Adjustment		

PREAMBLE TO IR (IF ANY):

Manitoba Hydro is requesting rate increases to cover base capital spending.

QUESTION:

Please update figure 4.12 on a similar basis to (b) providing detail of comparative sustaining capital spending shown in CEFs.

RATIONALE FOR QUESTION:

Increases in sustaining capital spending are a major driver around proposed rate increases. This information explores the impact of sustaining capital on rate increases.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information presented in Figure 4.12 was specifically developed for this application to be consistent with Manitoba Hydro's Asset Condition Assessment report. This information is not available in this format for previous years' actual results or previous CEFs.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
PUB/MH-I-19b

Section:	Tab 4, App. 4.2	Page No.:	Overall Doc.
Topic:	Capital Expenditures		
Subtopic:	MH's Asset Condition AssessmentRef: PUB Order 150/08, dated Nov 7, 2008		
Issue:	Adequacy of Response to PUB 116/08, amended Directive #7, pp. 69/71		

PREAMBLE TO IR (IF ANY):

Board Order 150/08 provided a directive to Manitoba Hydro with respect to an Asset Condition Assessment. In this GRA, Manitoba Hydro filed an Asset Condition Assessment Report.

QUESTION:

Provide Manitoba Hydro's working papers with respect to the items listed in (a) and the individual assets considered in Appendix 4.2.

RATIONALE FOR QUESTION:

This question follows up on Directive 7 from Board Order 150/08 and explores a major rationale for Manitoba Hydro's requested rate increases.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

All requests for working papers, schedules and calculations are draft or otherwise incomplete documents that may have no relevance to the position that Manitoba Hydro has ultimately taken in this Application. Such documents, even if relevant, have little significance in the context of this proceeding. The time, effort and expense involved in the preparation and filing of such responses are not warranted by the relevance, if any, of the information sought or by the probative value of the result. As such, Manitoba Hydro will not provide the information as requested.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
PUB/MH-I-24a

Section:	Tab 4, App. 4.1	Page No.:	CEF 14, p.3
Topic:	Capital Expenditures		
Subtopic:	Keeyask Generating Station Project Cost		
Issue:	Revised Cost Estimates		

PREAMBLE TO IR (IF ANY):

The latest Keeyask Generating Station project cost estimate in CEF 14 is \$6.496B, the same as reported during NFAT. MH has since awarded contracts for a major portion of the work to be done on Keeyask.

QUESTION:

Provide an updated breakdown of each awarded contract document and pending contract documents.

RATIONALE FOR QUESTION:

Capital costs for new generation are one of the reasons for Manitoba Hydro's rate increase requests.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is unable to provide a detailed break-down of awarded contract values for the Keeyask Generating Station projects as this information is commercially sensitive.



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PUB/MH-I-36b

Section:	Tab 5: Section 5.13	Page No.:	43
Topic:	Financial Results & Forecasts		
Subtopic:	Non-Controlling Interest		
Issue:	Changes in Financial Arrangements with WPLP & KHLP		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please file the updated PDA with WPLP (in confidence if required) and provide details on the changes to the financial arrangements between Manitoba Hydro and WPLP.

RATIONALE FOR QUESTION:

Non-controlling interest revenues impact Manitoba Hydro's revenue requirement.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

There is no formal agreement between Manitoba Hydro and the Wuskwatim Power Limited Partnership at this time. As indicated in response to PUB Directive 11 from Order 43/13, the parties are still in the process of reviewing and negotiating final terms, which when concluded, will be incorporated into a written agreement.



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Section:	Tab 5: Appendix 5.6 Attachment 4	Page No.:	4 of 14
Topic:	Finance Results & Forecasts		
Subtopic:	Depreciation Expense		
Issue:	Changes in 2014 Depreciation Study		

PREAMBLE TO IR (IF ANY):

Salvage value is being removed from depreciation rates commencing in 2054/16 when IFRS is adopted. MH has proposed ASL based accounting changes impacting 2014/15 which includes negative salvage

QUESTION:

Please file the electronic versions of tables 1 & 2 ASL 2014 depreciation rate schedules.

RATIONALE FOR QUESTION:

Negative salvage is being removed in 2015/16 when IFRS is implemented. This questions seeks the impact of removing net salvage for earlier years.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be



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subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.



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Section:	Tab 5: Appendix 5.6 Attachment 4	Page No.:	4 of 14
Topic:	Finance Results & Forecasts		
Subtopic:	Depreciation Expense		
Issue:	Changes in 2014 Depreciation Study		

PREAMBLE TO IR (IF ANY):

Salvage value is being removed from depreciation rates commencing in 2054/16 when IFRS is adopted. MH has proposed ASL based accounting changes impacting 2014/15 which includes negative salvage

QUESTION:

Please file the electronic versions in excel of tables in Appendix 5.6 Attachment 2

RATIONALE FOR QUESTION:

Negative salvage is being removed in 2015/16 when IFRS is implemented. This questions seeks the impact of removing net salvage for earlier years.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be



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subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.



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PUB/MH-I-42b

Section:	Tab 5: Appendix 5.6 Attachment 4	Page No.:	4 of 14
Topic:	Financial Results & Forecast		
Subtopic:	Depreciation Expense		
Issue:	Changes in 2014 Depreciation Study		

PREAMBLE TO IR (IF ANY):

Gannet Flemming (GF) has indicated that ELG and ASL were both acceptable approaches under IFRS. MH has stated previously IAS 16 does not require that the Equal Life Group (ELG) method be used for determining depreciation rates as both the Average Service Life (ASL) and ELG method are acceptable methods for determining depreciation rates under IFRS.

QUESTION:

Please update GF response to PUB/MH I-85 (a) from the 2012 GRA and indicate the number of utilities in Canada and the United states that are using ASL.

RATIONALE FOR QUESTION:

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested in this IR is not readily available to Manitoba Hydro. Given the passage of time and the divergence in practice with respect to the financial reporting frameworks (IFRS, US GAAP) used by Canadian and/or U.S. Electrical Utilities, current information to what was provided in PUB/MH 1-85(a) from the 2012/13 & 2013/14 GRA is not readily available, and not capable of being represented in a meaningful way through a simple update.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
 PUB/MH-I-56d

Section:	Tab 9	Page No.:	p. 7 of 23 Tab 9
Topic:	Energy Supply		
Subtopic:	Export Resources		
Issue:	Hydraulic Generation Available for Export		

PREAMBLE TO IR (IF ANY):

MH's 2014 PRP anticipates the following:

	Total Exports (GWh)	Surplus Hydraulic Generation (GWh)	
2014/15	11299	10110	
2015/16	10426	9151	
2016/17	8034	6428	↑
2017/18	7728	5011	-2489
2018/19	7698	3652	↓
2019/20	7876	3939	↓

QUESTION:

Provide an Export Price vs Cost Comparison for MH's DSM resources and imports.

RATIONALE FOR QUESTION:

Extraprovincial revenues are deducted from revenue requirements.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested would disclose export price forecasts that are commercially sensitive and confidential, and contract information that is commercially sensitive and subject to confidentiality provisions, which require the consent of counterparties prior to filing with the PUB either as part of the GRA or in confidence. Manitoba Hydro submits that



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it has provided sufficient information on an aggregate basis in its GRA in order for the PUB to determine the reasonableness of the rates requested in its application.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
PUB/MH-I-62a

Section:	Tab 9, App. 11.36	Page No.:	p.15 of 22
Topic:	Energy Supply		
Subtopic:	US Export Sales		
Issue:	Diversity Contract Sales (since 2015)		

PREAMBLE TO IR (IF ANY):

MH's Diversity Exchange agreements with NSP and GRE provide winter capacity protection up to 550 MW. They also appear to place a similar summer capacity obligation on MH. This is illustrated in the following example: TABLE

QUESTION:

Provide a detailed analysis of MH's 2015/16 to 2019/20 forecasts in terms of (i) 5x16 Firm; (ii) 5x16 Uncommitted; (iii) Firm/5x16 Opportunity and (iv) Off-peak Opportunity sales.



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 PUB/MH-I-62a**

Plan (5) Base DSM 2017/18

Transmission
 Capability

Maximum Tie Line Capacity
 1850 MW Existing

	Summer		Winter		Annual Totals Peak
	Peak	Average	Peak	Average	
Hydraulic Generation	5100 MW		5100 MW		
Domestic Demand at Generation	3719 MW	2700 MW	4958 MW	4000 MW	
+ Reserve	419 MW	300 MW	559 MW	500 MW	
	4138 MW	3000 MW	5517 MW	4500 MW	
Hydraulic Generation Available Capacity for 5x16 exports	962-86= 876 MW Firm	2100-190= Ⓣ1910 MW Firm + Opport.	N/A (417 MW)	600-54= 546 MW	
Available for Peak CDN Sales	70 MW	70 MW (140 GWh)	70 MW	70 MW (140 GWh)	280 GWh
Committed Firm Obligations	1083 MW (incl. Div.)	1083 MW (1066 GWh)	133 MW (Net of Div.)	483 MW (966 GWh)	2032 GWh
Uncommitted Firm 5x16 sales	222 MW	217 MW (434 GWh)	0	0	434 GWh
Opportunity 5x16 sales	N/A	550 MW (1100 GWh)	N/A	937 MW (874 GWh)	1974 GWh
Total 5x16 US sales		1850 MW (2500 GWh)		1026 MW (1840 GWh)	4340 GWh
Non-Hydraulic 5x16 Thermal or Imports	Ⓣ500 MW (? GWh.)	Ⓞ550 MW	Ⓣ510 MW (? GWh)	Ⓞ550 MW (Div.) (1100 GWh)	1100 GWh additional capacity purchases

Ⓣ 100% of MISO Tie Line Peak Transmission Summer Constraint; 20% in winter

Ⓞ Involves use of Diversity Contract Generation & Transmission Capacity at unknown cost

Ⓣ Requires Firm Thermal/Imports at full Peak Market Price

Ⓞ Involves Diversity Energy Charge at Peak Market Price plus Transmission Adjustment

RATIONALE FOR QUESTION:

To assess the impact of summer Diversity obligations on export revenues.



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RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The requested breakdown of revenue would give insight into Manitoba Hydro's export price forecast which discloses commercially sensitive information.

The requested breakdown of revenue would also provide information which could be used to back calculate confidential long-term export sale energy pricing which is protected by confidentiality provisions and mutual non-disclosure agreements signed by Manitoba Hydro and the respective counterparty.



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PUB/MH-I-62b

Section:	Tab 9, App. 11.36	Page No.:	p.15 of 22
Topic:	Energy Supply		
Subtopic:	US Export Sales		
Issue:	Diversity Contract Sales (since 2015)		

PREAMBLE TO IR (IF ANY):

MH's Diversity Exchange agreements with NSP and GRE provide winter capacity protection up to 550 MW. They also appear to place a similar summer capacity obligation on MH. This is illustrated in the following example:



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 PUB/MH-I-62b**

Plan (5) Base DSM 2017/18

Transmission
 Capability

Maximum Tie Line Capacity
 1850 MW Existing

	Summer		Winter		
Hydraulic Generation	5100 MW		5100 MW		
	Peak	Average	Peak	Average	
Domestic Demand at Generation	3719 MW	2700 MW	4958 MW	4000 MW	
+ Reserve	419 MW	300 MW	559 MW	500 MW	
	4138 MW	3000 MW	5517 MW	4500 MW	
Hydraulic Generation Available Capacity for 5x16 exports	962-86= 876 MW Firm	2100-190= Ⓣ 1910 MW Firm + Opport.	N/A (417 MW)	600-54= 546 MW	
Available for Peak CDN Sales	70 MW	70 MW (140 GWh)	70 MW	70 MW (140 GWh)	Annual Totals Peak 280 GWh
Committed Firm Obligations	1083 MW (incl. Div.)	1083 MW (1066 GWh)	133 MW (Net of Div.)	483 MW (966 GWh)	2032 GWh
Uncommitted Firm 5x16 sales	222 MW	217 MW (434 GWh)	0	0	434 GWh
Opportunity 5x16 sales	N/A	550 MW (1100 GWh)	N/A	937 MW (874 GWh)	1974 GWh
Total 5x16 US sales		1850 MW (2500 GWh)		1026 MW (1840 GWh)	4340 GWh
Non-Hydraulic 5x16 Thermal or Imports	Ⓣ 500 MW (? GWh.)	Ⓞ 550 MW	Ⓣ 510 MW (? GWh)	Ⓞ 550 MW (Div.) (1100 GWh)	1100 GWh additional capacity purchases

- Ⓣ 100% of MISO Tie Line Peak Transmission Summer Constraint; 20% in winter
- Ⓞ Involves use of Diversity Contract Generation & Transmission Capacity at unknown cost
- Ⓣ Requires Firm Thermal/Imports at full Peak Market Price
- Ⓞ Involves Diversity Energy Charge at Peak Market Price plus Transmission Adjustment

QUESTION:



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Provide a detailed analysis of Manitoba Hydro's energy and capacity purchase costs from third parties to support these sales in average flow years.

RATIONALE FOR QUESTION:

To assess the impact of summer Diversity obligations on export revenues.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested is not available because third party purchases are based on system requirements and are not tracked to specific sales categories (i.e. committed, firm, etc.) and customers.



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PUB/MH-I-64c

Section:	Tab 3: Appendix 3.3	Page No.:	Section 5
Topic:	Integrated Financial Forecast & Economic Outlook		
Subtopic:	Export Contracts		
Issue:	Updated Contract Commitments		

PREAMBLE TO IR (IF ANY):

NFAT Exhibit # MH-100 sets out the contract sales, contracted surplus energy sales and non-contracted energy sales.

QUESTION:

Include in (a) a detailed tabulation of the capacity [MW] and energy [Gwh] included in each contract.

RATIONALE FOR QUESTION:

Export contract revenues are only aggregated in IFF14.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

All long-term sales agreements, term sheets, memorandum of understandings and discussions are protected by confidentiality provisions and mutual non-disclosure agreements signed by Manitoba Hydro and the respective counterparty. Therefore, prices (or information that could be used to determine contract prices) and select contract terms and conditions cannot be provided.



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Section:	Tab 4 Appendix 4.1	Page No.:	CEF 14 Pg. 3
Topic:	Capital Expenditure Forecast		
Subtopic:	HVDC – System Capabilities		
Issue:	Bipole I,II & III Utilization		

PREAMBLE TO IR (IF ANY):

NFAT PUB/MH I-042(a) Revised calculates the current and future energy usage of the Bipole system.

QUESTION:

Explain why the addition of Conawapa G.S. in 2029 would reduce the maximum HVDC limit from 48,900 GWh to 46,270 GWh.

RATIONALE FOR QUESTION:

This IR explores the future usage of the Bipole system.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

As noted in IFF14, “For IFF14 forecast purposes, it is assumed that Conawapa has been suspended and replaced with a gas turbine required in 2037/38 to meet firm capacity requirements.” Questions related to the addition of a resource which has been suspended and is not being considered in this application are not relevant to this proceeding.

Manitoba Hydro understands that the PUB’s Rules of Practice and Procedure, and its practice, is to look at the relevance of the information sought, the significance, and the reasonableness of the request when the PUB considers its discretion of permitting IRs. Manitoba Hydro seeks the PUB’s direction with respect to the reasonableness, relevance, significance and value that this IR would provide to the PUB in making its determinations, in



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light of the total number of IRs and the significant amount of time and effort that Manitoba Hydro would have to spend in responding to this IR.



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PUB/MH-I-78a

Section:	[Section]	Page No.:	
Topic:	CEC Hearings – Lake Winnipeg Regulation (LWR)		
Subtopic:	Scope of Hearing		
Issue:	LWR license renewal potential impact on MH's revenues		

PREAMBLE TO IR (IF ANY):

MH has indicated the regions of interest are:

- Physical structures/works Lake Winnipeg to Jenpeg
- LWR influences on Nelson River Water regime
- Downstream of Gull Rapids the operation of the Kettle Generation Station
- Lake Winnipeg stakeholders continue to have a variety of concerns about LWR

QUESTION:

Explain how these regions of interest will be addressed by various interveners.

RATIONALE FOR QUESTION:

To understand the possible impact of changes to LWR on MH's revenues.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested in the referenced IRs with respect to the Lake Winnipeg Regulation is currently being reviewed through a separate regulatory proceeding before the Clean Environment Commission. No copies of the participation funding documents have been filed with the CEC. Manitoba Hydro is not seeking any change to the license, and as such, any review of potential alternatives to the license is premature and unwarranted until such time as a license is issued and its impacts, if any, can be assessed.



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Section:	[Section]	Page No.:	
Topic:			
Subtopic:			
Issue:			

PREAMBLE TO IR (IF ANY):

MH has indicated the regions of interest are:

- Physical structures/works Lake Winnipeg to Jenpeg
- LWR influences on Nelson River Water regime
- Downstream of Gull Rapids the operation of the Kettle Generation Station
- Lake Winnipeg stakeholders continue to have a variety of concerns about LWR

QUESTION:

Elaborate on the interveners and their specific concerns and identify what expert resources will be funded in each area of interest.

RATIONALE FOR QUESTION:

To understand the possible impact of changes to LWR on MH's revenues.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested in the referenced IRs with respect to the Lake Winnipeg Regulation is currently being reviewed through a separate regulatory proceeding before the Clean Environment Commission. No copies of the participation funding documents have been filed with the CEC. Manitoba Hydro is not seeking any change to the license, and as such, any review of potential alternatives to the license is premature and unwarranted until such time as a license is issued and its impacts, if any, can be assessed.



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Section:	[Section]	Page No.:	
Topic:	CEC Hearings - Lake Winnipeg Regulation (LWR)		
Subtopic:	Public Sessions		
Issue:	LWR license renewal potential impact on MH's revenues		

PREAMBLE TO IR (IF ANY):

Public sessions are scheduled during Jan/Feb/Mar in Northern Manitoba, in Lake Winnipeg communities and three in Winnipeg. Presumably MH will make the same customer presentation at each session.

QUESTION:

Provide MH's presentation documentation(s) as well as the license application.

RATIONALE FOR QUESTION:

To understand the possible impact of changes to LWR on MH's revenues.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested in the referenced IRs with respect to the Lake Winnipeg Regulation is currently being reviewed through a separate regulatory proceeding before the Clean Environment Commission. No copies of the participation funding documents have been filed with the CEC. Manitoba Hydro is not seeking any change to the license, and as such, any review of potential alternatives to the license is premature and unwarranted until such time as a license is issued and its impacts, if any, can be assessed.



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Section:	[Section]	Page No.:	
Topic:	CEC Hearings - Lake Winnipeg Regulation (LWR)		
Subtopic:	Public Sessions		
Issue:	LWR license renewal potential impact on MH's revenues		

PREAMBLE TO IR (IF ANY):

Public sessions are scheduled during Jan/Feb/Mar in Northern Manitoba, in Lake Winnipeg communities and three in Winnipeg. Presumably MH will make the same customer presentation at each session.

QUESTION:

Provide the anticipated CEC hearing timetable and expected report date

RATIONALE FOR QUESTION:

To understand the possible impact of changes to LWR on MH's revenues.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested in the referenced IRs with respect to the Lake Winnipeg Regulation is currently being reviewed through a separate regulatory proceeding before the Clean Environment Commission. No copies of the participation funding documents have been filed with the CEC. Manitoba Hydro is not seeking any change to the license, and as such, any review of potential alternatives to the license is premature and unwarranted until such time as a license is issued and its impacts, if any, can be assessed.



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Section:	[Section]	Page No.:	
Topic:	CEC Hearings – Lake Winnipeg Regulation (LWR)		
Subtopic:	License Renewal Alternatives		
Issue:	Cost/Benefit Implications		

PREAMBLE TO IR (IF ANY):

MH has suggested three alternatives for the LWR operation license. These are:

- Maintain the existing 711-715 foot operation range, and maximize JenPeg spillway and power house flows when Lake Winnipeg levels exceed 715 feet.
- Reduce operating range to 711-714 feet, maximizing Jenpeg spillway and power house flows when Lake Winnipeg levels exceed 714 feet.
- Raise the operating range to 711-716 feet, maximizing spillway and power house flows when Lake Winnipeg levels exceed 716 feet

QUESTION:

Provide IFF14 twenty-year outlooks for each of the above three operating scenarios. Please include all assumptions around each scenario.

RATIONALE FOR QUESTION:

To understand the possible impact of changes to LWR on MH's revenue requirement.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested in the referenced IRs with respect to the Lake Winnipeg Regulation is currently being reviewed through a separate regulatory proceeding before the Clean Environment Commission. No copies of the participation funding documents have been filed with the CEC. Manitoba Hydro is not seeking any change to the license, and as



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such, any review of potential alternatives to the license is premature and unwarranted until such time as a license is issued and its impacts, if any, can be assessed.



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Section:	[Section]	Page No.:	
Topic:	CEC Hearings – Lake Winnipeg Regulation (LWR)		
Subtopic:	License Renewal Alternatives		
Issue:	Cost/Benefit Implications		

PREAMBLE TO IR (IF ANY):

MH has suggested three alternatives for the LWR operation license. These are:

- Maintain the existing 711-715 foot operation range, and maximize JenPeg spillway and power house flows when Lake Winnipeg levels exceed 715 feet.
- Reduce operating range to 711-714 feet, maximizing Jenpeg spillway and power house flows when Lake Winnipeg levels exceed 714 feet.
- Raise the operating range to 711-716 feet, maximizing spillway and power house flows when Lake Winnipeg levels exceed 716 feet

QUESTION:

Provide MH/CEC Appendix 11 to illustrate the lost revenue related to operating range changes and quantify the IFF14 (20 year) export revenue losses/F&PP cost increases.

RATIONALE FOR QUESTION:

To understand the possible impact of changes to LWR on MH's revenue requirement.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested in the referenced IRs with respect to the Lake Winnipeg Regulation is currently being reviewed through a separate regulatory proceeding before the Clean Environment Commission. No copies of the participation funding documents have been filed with the CEC. Manitoba Hydro is not seeking any change to the license, and as



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such, any review of potential alternatives to the license is premature and unwarranted until such time as a license is issued and its impacts, if any, can be assessed.



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PUB/MH-I-80c

Section:	[Section]	Page No.:	
Topic:	CEC Hearings – Lake Winnipeg Regulation (LWR)		
Subtopic:	License Renewal Alternatives		
Issue:	Cost/Benefit Implications		

PREAMBLE TO IR (IF ANY):

MH has suggested three alternatives for the LWR operation license. These are:

- Maintain the existing 711-715 foot operation range, and maximize JenPeg spillway and power house flows when Lake Winnipeg levels exceed 715 feet.
- Reduce operating range to 711-714 feet, maximizing Jenpeg spillway and power house flows when Lake Winnipeg levels exceed 714 feet.
- Raise the operating range to 711-716 feet, maximizing spillway and power house flows when Lake Winnipeg levels exceed 716 feet

QUESTION:

Provide MH/CEC Appendix 12 to illustrate the status of Lake Winnipeg shoreline erosion mitigation measures and quantify the magnitude of and impacts under each scenario.

RATIONALE FOR QUESTION:

To understand the possible impact of changes to LWR on MH's revenue requirement.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested in the referenced IRs with respect to the Lake Winnipeg Regulation is currently being reviewed through a separate regulatory proceeding before the Clean Environment Commission. No copies of the participation funding documents have been filed with the CEC. Manitoba Hydro is not seeking any change to the license, and as



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such, any review of potential alternatives to the license is premature and unwarranted until such time as a license is issued and its impacts, if any, can be assessed.



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Section:	[Section]	Page No.:	
Topic:	CEC Hearings – Lake Winnipeg Regulation (LWR)		
Subtopic:	License Renewal Alternatives		
Issue:	Cost/Benefit Implications		

PREAMBLE TO IR (IF ANY):

MH has suggested three alternatives for the LWR operation license. These are:

- Maintain the existing 711-715 foot operation range, and maximize JenPeg spillway and power house flows when Lake Winnipeg levels exceed 715 feet.
- Reduce operating range to 711-714 feet, maximizing Jenpeg spillway and power house flows when Lake Winnipeg levels exceed 714 feet.
- Raise the operating range to 711-716 feet, maximizing spillway and power house flows when Lake Winnipeg levels exceed 716 feet

QUESTION:

Explain and quantify MH's Northern Flood Agreement mitigation payments that relate to Nelson River flows under each scenario.

RATIONALE FOR QUESTION:

To understand the possible impact of changes to LWR on MH's revenue requirement.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested in the referenced IRs with respect to the Lake Winnipeg Regulation is currently being reviewed through a separate regulatory proceeding before the Clean Environment Commission. No copies of the participation funding documents have been filed with the CEC. Manitoba Hydro is not seeking any change to the license, and as



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such, any review of potential alternatives to the license is premature and unwarranted until such time as a license is issued and its impacts, if any, can be assessed.



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Section:	[Section]	Page No.:	Appendix 11.19 pg. 3
Topic:	Export Revenues		
Subtopic:	Firm & Opportunity Sales		
Issue:	Unit export revenues (actual and IFF14)		

PREAMBLE TO IR (IF ANY):

MH's export market revenues appear to correlate with the variable cost of operating an efficient CCCT natural gas plant. Natural gas prices have been in decline.

QUESTION:

Provide a detailed tabulation of MH's Firm contract sales by counterparty (MW and GWH) for the years 2014/15 to 2034/35.

RATIONALE FOR QUESTION:

To compare and assess the reasonableness of MH's historic export unit revenue prices with the forecast 75% increase in unit revenues by 2019/20.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

All long-term sales agreements, term sheets, memorandum of understandings and discussions are protected by confidentiality provisions and mutual non-disclosure agreements signed by Manitoba Hydro and the respective counterparty. Therefore, specific pricing and terms and conditions cannot be provided in a public forum.



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
 PUB/MH-I-83c**

Section:	App. 9.1App. 11.22	Page No.:	p.1 of 9p. 1of 1
Topic:	Power Resources		
Subtopic:	Hydraulic Generation		
Issue:	Actual 2013/14 vs 2014/15		

PREAMBLE TO IR (IF ANY):

The following actual hydraulic generation values are available.

	Actual 2013/14 (GWh)	Actual 2014/15 (GWh)		
Apr	2685	2765		
May	2903	2708		
Jun	2948	2948		
Jul	3214	3174		
Aug	3270	3203		
Sep	2705	2726		
Oct	3088	2262		
Nov	2548	2944		
Dec	3055	3170	26715	25950
Jan	2947	?		
Feb	2646	?		
Mar	2953	?	35261	?

QUESTION:

Provide the 2014/15 Q3 & Q4 import/wind/thermal generation separately.

RATIONALE FOR QUESTION:

This request seeks updated hydraulic generation numbers which are provided in every GRA proceeding.



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
PUB/MH-I-83c**

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information in this IR cannot be disclosed due to confidentiality reasons with wind farm data. In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide the information in aggregate, which is consistent with its responses provided to similar IRs in previous GRAs.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
PUB/MH-I-84d

Section:	Tab 10	Page No.:	4&5
Topic:	PUB Directives and Interim Orders		
Subtopic:	Order 43/13 Directive 10		
Issue:	Risk		

PREAMBLE TO IR (IF ANY):

In Order 43/10 the Board directed:

“10. That Manitoba Hydro file, with its next General Rate Application, a detailed quantitative and probabilistic risk assessment and review of all of its operating and financial risks in order to allow the Board to assess the adequacy of the reserves. Commercially sensitive information in the report is to be redacted from the public version and filed in confidence with the Board. “

MH has stated that MH has engaged KPMG to satisfy this directive and this report will be available to be reviewed at the next GRA.

QUESTION:

Please provide the terms of reference provided by Manitoba Hydro to KPMG related to meeting the Board’s Directive 10 of Order 43/13.

RATIONALE FOR QUESTION:

To understand and quantify the risks faced by Manitoba Hydro.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
PUB/MH-I-84d**

This IR requests information that relates to the financial review of Manitoba Hydro's financial targets that is currently underway. At page 18 of Order 18/15, the PUB states that "...evidence...related to interest coverage and other financial ratios, may be better suited for a subsequent GRA, to follow Manitoba Hydro's review of its financial targets..." "As the PUB has determined that information with respect to Manitoba Hydro's financial target review is outside the scope of this proceeding, Manitoba Hydro will provide information with respect to its financial target review at a future GRA.



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Email: bwilliams@pilc.mb.ca

March 9, 2015

By email

The Public Utilities Board of Manitoba
Attention: Mr. Darren Christle
400 – 330 Portage Avenue
Winnipeg, MB R3C 0C4

Dear Mr. Christle:

Re: Manitoba Hydro 2014/15 and 2015/16 GRA

Attached please find the information requests in which the Coalition seeks a Board Order confirming that Manitoba Hydro should provide the information requested. The Coalition notes that it has had a number of exchanges of correspondence with Manitoba Hydro since February 26, 2015.

The Coalition understands that Manitoba Hydro has withdrawn some objections.¹ In addition, the Coalition is withdrawing certain portions of its information requests based upon its view that it can more effectively address the information requested in cross examination or during the Cost of Service Proceeding.²

The Coalition notes that many of the remaining information requests relate to three issues:

- i. Is IFF11-2 a better basis for analyzing forecast variance or is 1FF12?
- ii. What is the proper approach to sharing electronic data?
- iii. What is the appropriate treatment of information requests related to the confirmation of diesel rates?

The Coalition is satisfied that there has been an exchange of views on these issues and that Board adjudication is required.

Yours truly,

**BYRON WILLIAMS
DIRECTOR**

BW/sk

c.c. CAC (Manitoba)/ Winnipeg Harvest (the Coalition)
Manitoba Hydro, Ms. Odette Fernandes and Mr. Brent Czarnecki
Fillmore Riley, Mr. Robert Peters, Board Counsel
Other interested parties

¹ For example, information requests related to Coalition/Hydro 1-4 and 1-66. In addition, Hydro withdrew its objection to Coalition 19 d) which was actually aimed at Coalition 19 b).
² The Coalition withdraws the following questions, Coalition/Hydro 1- 16 c) 1-16 d), 1-103 e) 1-104 c) 1-104 d), 1-104 e), 1-107 b), 1-107 d), 1-107 e), 1-107 f), 1-108 b), 1-108 d), 1-108 e), 1-108 f), 1-111 a), 1-111 b), 1-111 c), 1-111 d).

Manitoba Hydro 2014/15 & 2015/16 General Rate Application

COALITION/MH-I-6g

Section:	Tab 2: Appendix 2.1	Page No.:	18
Topic:	Application Overview		
Subtopic:	Corporate Strategic Plan		
Issue:	CSP Targets		

PREAMBLE TO IR (IF ANY):

QUESTION:

Based on the most recent CEA results, how does Manitoba Hydro compare with other Canadian utilities in terms of the CEA Customer Service Index?

RATIONALE FOR QUESTION:

The 2011/12 CSP (filed in the last GRA) used the CEA Customer Service Index as a measure of customer value with a target to be the “best in Canada”. However, the current CSP uses a different measure for customer satisfaction.

CSP targets are one measure of prudence of expenditures. The questions posed seek additional detail as compared to analogous ones from GAC and the MMF.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro does not possess, or is not in a position to disclose specific and confidential information, for individual utilities of the Canadian Electrical Association.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application

COALITION/MH-I-6g

COALITION RESPONSE:

Manitoba Hydro does not deny the information is relevant and material. It does not deny that it has access to CEA surveys. The sole issue is whether it can provide a meaningful response without disclosing utility specific information. The Coalition does not require individual utility information. The Coalition is aware other utilities such as as FortisBC report their performance relative to average (and we believe relative to quartiles/quintiles) from CEA surveys.

Responding to the questions does not require the publication of individual utility data. If Manitoba Hydro has access to the results of CEA surveys regarding the issues raised, information could be provided as to how MH compares with the average observed across the Canadian utilities and also which quartile/quintile MH's performance falls into.

This can be done without revealing individual utility data. We fully expect Hydro has access to CEA surveys.

The information provided offers an important perspective into the "rates for service" of Manitoba Hydro by providing insight into its relative performance compared to other Canadian jurisdictions.

We ask that Hydro be directed to confirm it has access to CEA surveys. Assuming it has access to CEA surveys, we ask that it be directed to provide a response based upon how MH compares with the average observed across the Canadian utilities. We also ask that Hydro be directed to indicate which quartile/quintile its performance falls into.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-9a

Section:	Appendix 3.1 (from 2012/13 & 2013/14 GRA)	Page No.:	
Topic:	Application Overview		
Subtopic:	Corporate Strategic Plan		
Issue:	CSP Targets		

PREAMBLE TO IR (IF ANY):

It is understood that the 2011 CSP was for the 2011/12 period.

QUESTION:

Please provide a schedule that set out the various measures and corresponding targets from the 2011 CSP and which also shows the actual results for the year (2011/12).

RATIONALE FOR QUESTION:

To assess Manitoba Hydro's performance relative to the targets set out in previous Corporate Strategic Plans. This is one measure of prudence.

RESPONSE

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE TO THE HYDRO OBJECTION:

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-9a

Hydro has misread the Coalition question.

In this information request, the Coalition is not seeking a comparison between forecasts. The Coalition seeks to determine Hydro's success in meeting the targets set out in the 2011/12 CSP in test year for the 2011/12 year. The measure of forecast versus achievement is a measure of prudence.

The Coalition also notes that CSP measures may vary from year to year so little utility is garnered in a comparison of forecasts from year to year. The proper measure is forecast versus achievement, The proposed response to PUB 1-5 does not assist the Coalition.

Hydro's commentary is not applicable; its compromise is of no utility because it is directed at the wrong issue. Hydro has not suggested the information sought is not material or relevant.

We ask that Hydro directed to answer the question as posed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-9b

Section:	Appendix 3.1 (from 2012/13 & 2013/14 GRA)	Page No.:	
Topic:	Application Overview		
Subtopic:	Corporate Strategic Plan		
Issue:	CSP Targets		

PREAMBLE TO IR (IF ANY):

It is understood that the 2011 CSP was for the 2011/12 period.

QUESTION:

In the same schedule please provide the actual results for each of the 2011 CSP measures for 2012/13 and 2013/14.

RATIONALE FOR QUESTION:

To assess Manitoba Hydro's performance relative to the targets set out in previous Corporate Strategic Plans. This is one measure of prudence.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-9b

COALITION RESPONSE TO THE HYDRO OBJECTION:

Manitoba Hydro has misread the Coalition question.

In this information request, the Coalition is not seeking a comparison between forecasts. The Coalition seeks to determine MH's success in meeting the targets set out in the 2011/12 CSP in test year for the 2012/13 year and the 2013/14 year. The measure of forecast versus achievement is a measure of prudence.

The Coalition notes that CSP measures may vary from year to year so little utility is garnered in a comparison of forecasts from year to year. The proper measure is forecast versus achievement. The proposed response to PUB 1-5 does not assist the Coalition.

Hydro's commentary is not applicable; its compromise is of no utility because it is directed at the wrong issue. Hydro has not suggested the information sought is not material or relevant.

We ask that Hydro directed to answer the question as posed.

Section:	Tab 3	Page No.:	5
	Tab 5		3
	2012/13 & 2013/14 GRA, Appendix 4.2		31 & 33
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Electric Operations Forecast (MH14)		
Issue:	Comparison with Previous Forecasts		

PREAMBLE TO IR (IF ANY):

It is noted that the Application in the last GRA was filed based on IFF11-2 and that IFF12 was subsequently filed during the proceeding.

QUESTION:

Please confirm that the revenue and expense categories used in Tab 3 and the associated IFF are the same as those used in Tab 5 (page 3). If not, please explain any differences and provide a reconciliation for each of the years 2014/15 – 2016/17.

RATIONALE FOR QUESTION:

To compare MH11-2, which was the basis for the initial 2012/13 & 2013/14 GRA and for the information request responses subsequently filed during the proceeding, with the actual results for those years. The question goes to the credibility of the rate increase.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE

The Coalition is puzzled why Hydro would object to this information request. Hydro has misread the question.

The objection is not responsive to the question which simply seeks confirmation that the revenue and expense categories used in Tab 3 and the associated IFF are the same as those used in Tab 5 (page 3) and if not, for a reconciliation of the figures.

The Coalition is simply trying to ensure that the categories found in Tab 3 of the Hydro application are comparable to those found in Tab 5.

Hydro's proposed alternative is directed at an entirely different issue and is not responsive.

We would ask that Hydro be directed to answer the question as posed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application

COALITION/MH-I-13a

Section:	Tab 3 Tab 5 2012/13 & 2013/14 GRA, Appendix 4.2	Page No.:	5 3 31 & 33
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Electric Operations Forecast (MH14)		
Issue:	Comparison with Previous Forecasts		

PREAMBLE TO IR (IF ANY):

It is noted that the Application in the last GRA was filed based on IFF11-2 and that IFF12 was subsequently filed during the proceeding.

QUESTION:

For each of the years 2012/13 and 2013/14 please provide a schedule that contrasts the individual Operating Statement values as forecast in MH11-2 with the actual values and provide explanations for any material variances. For reference purposes please also include in the schedule the actual values for 2011/12.

RATIONALE FOR QUESTION:

To compare MH11-2, which was the basis for the initial 2012/13 & 2013/14 GRA and for the information request responses subsequently filed during the proceeding, with the actual results for those years. The question goes to the credibility of the rate increase.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The Coalition question proposed the response be based on IFF11-2.

IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF111-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting purposes in that unlike IFF12

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that the question be answered as posed.

As a result, I believe that IFF11-2 - is an important base to use when looking at changes (i.e. Not only was it the foundation for the previous application and the basis for the IRs and parties' evidence but it shows materially different results for the current test period

Our client would ask that Hydro be directed to undertake the comparison based upon the extensively tested IFF (11-2).

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-13c

Section:	Tab 3 Tab 5 2012/13 & 2013/14 GRA, Appendix 4.2	Page No.:	5 3 31 & 33
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Electric Operations Forecast (MH14)		
Issue:	Comparison with Previous Forecasts		

PREAMBLE TO IR (IF ANY):

It is noted that the Application in the last GRA was filed based on IFF11-2 and that IFF12 was subsequently filed during the proceeding.

QUESTION:

For each of the years 2012/13 and 2013/14 please provide a schedule that compares the individual Balance Sheet values as forecast in MH11-2 with the actual values and provide explanations for any material variances. For reference purposes, please also include the actual values for 2011/12.

RATIONALE FOR QUESTION:

To compare MH11-2, which was the basis for the initial 2012/13 & 2013/14 GRA and for the information request responses subsequently filed during the proceeding, with the actual results for those years. The question goes to the credibility of the rate increase.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-13c

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The Coalition question proposed the response be based on IFF11-2.

IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF11-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting purposes in that unlike IFF12

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that the question be answered as posed.

Section:	Tab 3: Figure 3.2	Page No.:	5
	Tab 5, Figure 5.1.0		3
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Electric Operations Forecast		
Issue:	Comparison with Previous Forecasts		

PREAMBLE TO IR (IF ANY):

It is noted that the Application in the last GRA was filed based on IFF11-2 and that IFF12 was subsequently filed during the proceeding.

QUESTION:

Please provide a schedule similar to Figure 3.2 but which contrasts MH11-2 with MH14 for: i) each of the years 2014/15-2016/17 and ii) the period 2014/15-2023/24.

RATIONALE FOR QUESTION:

Understand what has changed from MH11-2, which was the basis for the initial 2012/13 & 2013/14 GRA and the basis for the information request responses subsequently filed during the proceeding, and from MH12, which was filed during the last GRA, as compared to the current MH14 forecast. The issue goes to credibility of Hydro's current forecasts which is central to rate setting.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The Coalition question proposed the response be based on IFF11-2.

IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF11-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting purposes in that unlike IFF12

- it was relied upon to justify an application;

Manitoba Hydro 2014/15 & 2015/16 General Rate Application

COALITION/MH-I-14a

- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that the question be answered as posed.

Section:	Tab 3: Figure 3.2	Page No.:	5
	Tab 5, Figure 5.1.0		3
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Electric Operations Forecast		
Issue:	Comparison with Previous Forecasts		

PREAMBLE TO IR (IF ANY):

It is noted that the Application in the last GRA was filed based on IFF11-2 and that IFF12 was subsequently filed during the proceeding.

QUESTION:

Please provide a commentary similar to that in PUB/MH I-22 (from the last GRA) that explains, by revenue and expense category, the variances between the two financial projections (i.e. MH11-2 and MH14) for i) each of the years 2014/15 to 2016/17 and ii) the period 2014/15 to 2023/24.

RATIONALE FOR QUESTION:

Understand what has changed from MH11-2, which was the basis for the initial 2012/13 & 2013/14 GRA and the basis for the information request responses subsequently filed during the proceeding, and from MH12, which was filed during the last GRA, as compared to the current MH14 forecast. The issue goes to credibility of Hydro's current forecasts which is central to rate setting.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

COALITION RESPONSE:

The Coalition question proposed the response be based on IFF11-2.

IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF11-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting purposes in that unlike 1FF12

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that the question be answered as posed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-14c

Section:	Tab 3: Figure 3.2 Tab 5, Figure 5.1.0	Page No.:	5 3
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Electric Operations Forecast		
Issue:	Comparison with Previous Forecasts		

PREAMBLE TO IR (IF ANY):

It is noted that the Application in the last GRA was filed based on IFF11-2 and that IFF12 was subsequently filed during the proceeding.

QUESTION:

It is noted that DSM affects both revenues and expenses over these periods. What is the overall impact of the increased DSM spending and associated energy/capacity savings in MH14 on net income for the periods 2015-2017 and 2015-2024 when MH14 is compared to MH11-2, after taking into account all of these impacts?

RATIONALE FOR QUESTION:

Understand what has changed from MH11-2, which was the basis for the initial 2012/13 & 2013/14 GRA and the basis for the information request responses subsequently filed during the proceeding, and from MH12, which was filed during the last GRA, as compared to the current MH14 forecast. The issue goes to credibility of Hydro's current forecasts which is central to rate setting.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

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In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The Coalition question proposed the response be based on IFF11-2.

IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF11-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting purposes in that unlike IFF12

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that the question be answered as posed.

Section:	Tab 3	Page No.:	6
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Electric Operations Forecast		
Issue:	Reclassification of GNTL costs		

PREAMBLE TO IR (IF ANY):

The Application makes reference (page 6) to a change in the classification of the Great Northern Transmission Line (GNTL) costs.

QUESTION:

Please provide a schedule that sets out, for each IFF (from IFF11-2 through to IFF14) that included costs for the GNTL, the annual costs from the initial year of first inclusion through to 2023/24 and how they were classified.

RATIONALE FOR QUESTION:

Manitoba Hydro has changed the classification of GNTL costs. The request seeks to clarify the appropriateness of incorporating certain costs into rates. The information request seeks different information than posed in PUB/MH 1-21.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The Coalition question proposed the response be based on IFF11-2.

IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF11-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting purposes in that unlike IFF12

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- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that the question be answered as posed.

Section:	Tab 3: Figures 3.4, 3.5 and 3.6	Page No.:	13, 15 & 16
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Financial Targets		
Issue:	Comparison of Forecasts and Actual Results		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide a set of schedules that set out the values for MH's consolidated financial targets as forecast in IFF11-2 and IFF12 for 2012/13 and 2013/14. In the same schedule please provide the actual values for the two years.

RATIONALE FOR QUESTION:

Compare actual financial target results with forecasts from the previous GRA. Credibility of forecasting is central to rate setting.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against

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the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The Coalition question proposed the response be based on IFF11-2 and IFF 12. IFF11-2 is clearly the superior IFF for analytic purposes.

IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF11-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting purposes in that unlike IFF12

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that the question be answered as posed.

Section:	Tab 3: Figures 3.4, 3.5 and 3.6	Page No.:	13, 15 & 16
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Financial Targets		
Issue:	Comparison of Forecasts and Actual Results		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please also provide a set of schedules that set out the values for MH-electric's financial targets as forecast in IFF11-2 and IFF12 for 2012/13 and 2013/14. In the same schedule please provide the actual values for the two years.

RATIONALE FOR QUESTION:

Compare actual financial target results with forecasts from the previous GRA. Credibility of forecasting is central to rate setting.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against

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the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The Coalition question proposed the response be based on IFF11-2 and IFF 12. IFF11-2 is clearly the superior IFF for analytic purposes.

IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF11-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting purposes in that unlike IFF12

- it was relied upon to justify an application;
- it was subject to two rounds of information;

- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that the question be answered as posed.

Section:	Tab 3	Page No.:	13 - 15
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Electric Operations Forecast		
Issue:	Financial Targets		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please update the materials in Appendix 11.14 to include the years back to 2011/12 and the results from IFF11-2 and IFF12. Please report actual values w[h]ere appropriate

RATIONALE FOR QUESTION:

Assist in understanding the factors affecting the change in the outlook for Manitoba Hydro's financial targets which goes to credibility of forecasts. Questions are distinct from those posed in PUB/Hydro 1-17.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF

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12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE

The Coalition question proposed the response be based on IFF11-2 and IFF 12. Hydro agrees to provide an answer based on IFF 12 but excludes the more valuable IFF.

IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF11-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting purposes in that unlike IFF12

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that the question be answered as posed.



Section:	Tab 3	Page No.:	13 - 15
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Electric Operations Forecast		
Issue:	Financial Targets		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide a schedule that for the same period as requested in part (a) sets out the debt levels (as defined for purposes of the debt/equity ratio calculation) for each year based on IFF11-2, IFF12, IFF13 and IFF14.

RATIONALE FOR QUESTION:

Assist in understanding the factors affecting the change in the outlook for Manitoba Hydro's financial targets which goes to credibility of forecasts. Questions are distinct from those posed in PUB/Hydro 1-17.

RESPONSE:

Please see the following table.

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.



In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

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Section:	Tab 3	Page No.:	13 - 15
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Electric Operations Forecast		
Issue:	Financial Targets		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide a schedule that for the same period as requested in part (a) sets out the sum of Net Fixed Assets In-Service plus Assets Under Construction for each year based on IFF11-2, IFF12, IFF13 and IFF14.

RATIONALE FOR QUESTION:

Assist in understanding the factors affecting the change in the outlook for Manitoba Hydro's financial targets which goes to credibility of forecasts. Questions are distinct from those posed in PUB/Hydro 1-17.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

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COALITION RESPONSE:

The Coalition question proposed the response be based on IFF11-2, IFF 12 and IFF13.

The Coalition question proposed the response be based on IFF11-2, IFF 12 and IFF 13. Hydro agrees to provide an answer based on IFF 12 but excludes the more valuable IFF11-2 as well as IFF 13.

While Hydro actually compares its analysis to IFF13 in its application (Tab 3, page 5), the Coalition is prepared to withdraw its request for IFF13 on the grounds that the IFF has not been tested in past proceedings.

The Coalition maintains its request for IFF11-2. IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF11-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting analysis in that unlike IFF12:

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that a comparison to IFF11-2 be provided. The request for IFF13 is withdrawn.

Section:	Tab 3	Page No.:	13 - 15
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Electric Operations Forecast		
Issue:	Financial Targets		

PREAMBLE TO IR (IF ANY):

QUESTION:

With respect to page 14, lines 12-16, since the calculation of the interest coverage ratio includes interest capitalized in both the numerator and the denominator and does not take into account cash flow from depreciation, please explain how a value of less than 1.0 indicates the utility would: i) experience elevated operational liquidity risk and ii) potential difficulty generating sufficient revenues and cash from operations to pay interest obligations.

RATIONALE FOR QUESTION:

Assist in understanding the factors affecting the change in the outlook for Manitoba Hydro's financial targets which goes to credibility of forecasts. Questions are distinct from those posed in PUB/Hydro 1-17.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The Coalition understands that Hydro has withdrawn its objection to this information request because its original objection to 19 d) was meant for 19 b). The Coalition understands that MH will answer 19 d) but will object to 19 b).

Section:	Tab 3	Page No.:	13 - 15
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Electric Operations Forecast		
Issue:	Financial Targets		

PREAMBLE TO IR (IF ANY):

QUESTION:

With respect to page 14, line 21, please provide a schedule that sets out the capital cost of Bipole III as used in IFF11-2, IFF12, IFF13 and IFF14 and explain any material variances.

RATIONALE FOR QUESTION:

Assist in understanding the factors affecting the change in the outlook for Manitoba Hydro's financial targets which goes to credibility of forecasts. Questions are distinct from those posed in PUB/Hydro 1-17.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

COALITION/MH-I-19e

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The Coalition question proposed the response be based on IFF11-2, IFF 12, IFF 13 and IFF 14. Hydro agrees to provide an answer based on IFF 12 but excludes the more valuable IFF11-2 as well as IFF 13.

While Hydro actually compares its analysis to IFF13 in its application (Tab 3, page 5), the Coalition is prepared to withdraw its request for IFF13 on the grounds that the IFF has not been tested in past proceedings.

The Coalition maintains its request for IFF11-2. IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)

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- net income - IFF111-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting analysis in that unlike IFF12:

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that a comparison to IFF11-2 be provided. The request for IFF13 is withdrawn.

Section:	Tab 3	Page No.:	13 - 15
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Electric Operations Forecast		
Issue:	Financial Targets		

PREAMBLE TO IR (IF ANY):

QUESTION:

With respect to page 14, line 21, please provide a schedule that sets out the capital cost of Keeyask as used in IFF11-2, IFF12, IFF13 and IFF14 and explain any material variances

RATIONALE FOR QUESTION:

Assist in understanding the factors affecting the change in the outlook for Manitoba Hydro's financial targets which goes to credibility of forecasts. Questions are distinct from those posed in PUB/Hydro 1-17.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

COALITION/MH-I-19f

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The Coalition question proposed the response be based on IFF11-2, IFF 12, IFF 13 and IFF 14. Hydro agrees to provide an answer based on IFF 12 but excludes the more valuable IFF11-2 as well as IFF 13.

While Hydro actually compares its analysis to IFF13 in its application (Tab 3, page 5), the Coalition is prepared to withdraw its request for IFF13 on the grounds that the IFF has not been tested in past proceedings.

The Coalition maintains its request for IFF11-2. IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)

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- net income - IFF111-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting analysis in that unlike IFF12:

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that a comparison to IFF11-2 be provided. The request for IFF13 is withdrawn.

Section:	Tab 3	Page No.:	13 - 15
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Electric Operations Forecast		
Issue:	Financial Targets		

PREAMBLE TO IR (IF ANY):

QUESTION:

With reference to page 14 (lines 21-22), please provide a schedule that sets out the annual spending for the years 2011/12 through 2031/32 for i) DSM and ii) the renewal and replacement of aging infrastructure as forecast in IFF11-2, IFF12, IFF13 and IFF14. Where appropriate please include the actual spending values in the schedule.

RATIONALE FOR QUESTION:

Assist in understanding the factors affecting the change in the outlook for Manitoba Hydro's financial targets which goes to credibility of forecasts. Questions are distinct from those posed in PUB/Hydro 1-17.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

COALITION/MH-I-19g

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The Coalition question proposed the response be based on IFF11-2, IFF 12, IFF 13 and IFF 14. Hydro agrees to provide an answer based on IFF 12 but excludes the more valuable IFF11-2 as well as IFF 13.

While Hydro actually compares its analysis to IFF13 in its application (Tab 3, page 5), the Coalition is prepared to withdraw its request for IFF13 on the grounds that the IFF has not been tested in past proceedings.

The Coalition maintains its request for IFF11-2. IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)

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- net income - IFF111-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting analysis in that unlike IFF12:

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that a comparison to IFF11-2 be provided. The request for IFF13 is withdrawn.

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COALITION/MH-I-23a

Section:	Tab 3: Appendix 3.3	Page No.:	4-5
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Demand Side Management		
Issue:	Actual and Forecasted DSM Savings and Costs		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide a schedule that shows the actual/forecast annual spending on DSM for the period 2012/13 to 2033/34 based on each of IFF11-2, IFF12, IFF13 and IFF14.

RATIONALE FOR QUESTION:

Understand how the forecast DSM savings and spending have changed from previous IFFs and actual results to-date. This goes to reliability of past forecasts and the reasonableness of the current plan.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

As per the PUB's direction in Order 18/15, in responding to this IR Manitoba Hydro will provide information on projected DSM expenditures that is available for the test years.

COALITION RESPONSE:

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COALITION/MH-I-23a

The purpose of this question (23) is see how much expenditures have increased in IFF14 relative to the past (in general) and by how much the forecast savings have increased. The reasonableness of the higher spend can only be gauged against what it delivers in terms of higher results.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

As noted by MH the scope of the current hearing is to focus - *“...on the reasonableness of and justification for, Manitoba Hydro’s projected DSM expenditures during the test years.”*

However, it is impractical to address the reasonableness and justification for the projected DSM expenditures without also looking at and understanding (at least at an aggregate level) the increase in energy savings that is accompanying this increase in spending.

COALITION/MH I-23 is seeking to do just that by comparing the planned expenditures and savings (in aggregate) as projected for the current GRA with those projected in previous IFFs and the last GRA.

The years beyond the test years are relevant as MH’s rationale for its proposed 3.95% rate increases over the test years is based, in large part, on the projected financial outlook for the Corporation beyond 2016/17.

It should be noted that, consistent with the PUB’s view that the specific details of MH’s DSM plans were extensively reviewed previously, this question does not deal with program specifics or the metrics of specific programs. Rather it focuses on aggregate spending, aggregate achievements and aggregate program metrics.

The Coalition would ask that the question be answered as posed.

In the event the Panel determines that it wishes to only provide a comparator with one prior test year, the Coaliton would recommend that the panel consider IFF11-2 or 12.

While the Coalition has expressed a strong preference for IFF11-2 in many prior information requests, there was not evidence filed related to DSM or an extensive testing of DSM expenditures in IFF11-2 or 12. There is less likely to be a distinction between the two IFFs on this specific issue.

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COALITION/MH-I-23a

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-23b

Section:	Tab 3: Appendix 3.3
Topic:	Integrated Financial Forecast and Economic Outlook
Subtopic:	Demand Side Management
Issue:	Actual and Forecasted DSM Savings and Costs

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide a schedule that sets out the annual actual/forecast amortization of DSM costs included in the revenue requirement for the period 2012/13 to 2033/34 based on each of IFF11-2, IFF12, IFF13 and IFF14.

RATIONALE FOR QUESTION:

Understand how the forecast DSM savings and spending have changed from previous IFFs and actual results to-date. This goes to reliability of past forecasts and the reasonableness of the current plan.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

As per the PUB's direction in Order 18/15, in responding to this IR Manitoba Hydro will provide information on projected DSM expenditures that is available for the test years.

Moreover, this IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to

provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The purpose of this question (23) is see how much expenditures have increased in IFF14 relative to the past (in general) and by how much the forecast savings have increased. The reasonableness of the higher spend can only be gauged against what it delivers in terms of higher results.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

As noted by MH the scope of the current hearing is to focus - *"...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years."*

However, it is impractical to address the reasonableness and justification for the projected DSM expenditures without also looking at and understanding (at least at an aggregate level) the increase in energy savings that is accompanying this increase in spending.

COALITION/MH I-23 is seeking to do just that by comparing the planned expenditures and savings (in aggregate) as projected for the current GRA with those projected in previous IFFs and the last GRA.

The years beyond the test years are relevant as MH's rationale for its proposed 3.95% rate increases over the test years is based, in large part, on the projected financial outlook for the Corporation beyond 2016/17.

The Coalition would ask that the question be answered as posed.

In the event the Panel determines that it wishes to only provide a comparator with one prior test year, the Coaliton would recommend that the panel consider IFF11-2 or 12.

While the Coalition has expressed a strong preference for IFF11-2 in many prior information requests, there was not evidence filed related to DSM or an extensive testing of DSM expenditures in IFF11-2 or 12. There is less likely to be a distinction between the two IFFs on this specific issue.

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COALITION/MH-I-23b

Section:	Tab 3: Appendix 3.3	Page No.:	4-5
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Demand Side Management		
Issue:	Actual and Forecasted DSM Savings and Costs		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide a schedule that sets on the forecast cumulative energy savings from DSM programs associated with each of the four Integrated Financial Forecasts for each of the years 2012/13 through 2033/34 (excluding the impacts of program spending prior to 2012/13).

RATIONALE FOR QUESTION:

Understand how the forecast DSM savings and spending have changed from previous IFFs and actual results to-date. This goes to reliability of past forecasts and the reasonableness of the current plan.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

As per the PUB's direction in Order 18/15, in responding to this IR Manitoba Hydro will provide information on projected DSM expenditures that is available for the test years.

COALITION RESPONSE:

The purpose of this question (23) is see how much expenditures have increased in IFF14 relative to the past (in general) and by how much the forecast savings have increased. The reasonableness of the higher spend can only be gauged against what it delivers in terms of higher results.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

As noted by MH the scope of the current hearing is to focus - "*...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.*"

However, it is impractical to address the reasonableness and justification for the projected DSM expenditures without also looking at and understanding (at least at an aggregate level) the increase in energy savings that is accompanying this increase in spending.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application

COALITION/MH-I-23c

COALITION/MH I-23 is seeking to do just that by comparing the planned expenditures and savings (in aggregate) as projected for the current GRA with those projected in previous IFFs and the last GRA.

The years beyond the test years are relevant as MH's rationale for its proposed 3.95% rate increases over the test years is based, in large part, on the projected financial outlook for the Corporation beyond 2016/17.

The Coalition would ask that the question be answered as posed.

In the event the Panel determines that it wishes to only provide a comparator with one prior test year, the Coalition would recommend that the panel consider IFF11-2 or 12.

While the Coalition has expressed a strong preference for IFF11-2 in many prior information requests, there was not evidence filed related to DSM or an extensive testing of DSM expenditures in IFF11-2 or 12. There is less likely to be a distinction between the two IFFs on this specific issue.

Section:	Tab 3: Appendix 3.3, Figure 5.1 Tab 11: Appendix 11.19	Page No.:	7 Pages 3-4
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Extra-Provincial Revenue		
Issue:	Changes in Extra-Provincial Revenues		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide schedules in a similar format to Appendix 11.19 (pages 3-4) based on IFF10, IFF11-2 and IFF12 for the period through to 2032/33 (or as available in each IFF).

RATIONALE FOR QUESTION:

The information is required to understand changes as between the extra-provincial revenue forecasts filed in previous PUB proceedings and the actual results/current extra-provincial revenue forecasts in the current Application. It goes to the reliability of export revenue forecasting which is material to rate setting. PUB/MH 1-14, 1-15 pose different questions.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

COALITION/MH-I-24a

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

Using multiple years of export price forecasts

These questions are critical to testing Hydro's credibility in this important element of rates.

In this information request in particular, it is important to trace the accuracy of Hydro's forecasting methodology over a number of years. Hydro's forecasts with regard to export revenues have been notoriously challenged.

The information sought can provide insight into:

- a) overall credibility of forecasts of export prices;
- b) changes in forecasting methodology year over year which might affect credibility.

IFF 11-2 versus IFF 12

The Coalition maintains its request for IFF11-2. IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF111-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting analysis in that unlike IFF12:

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that the question be answered as posed.

Section:	Tab 3: Appendix 3.3, Figure 5.1 Tab 11: Appendix 11.19	Page No.:	7Pages 3-4
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Extra-Provincial Revenue		
Issue:	Changes in Extra-Provincial Revenues		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please comment on the actual level of export prices (i.e. average revenue/kWh) for 2011/12, 2012/13 and 2013/14 relative to those forecast in IFF10, IFF11-2, IFF12 and IFF13, providing reasons for any material variances.

RATIONALE FOR QUESTION:

The information is required to understand changes as between the extra-provincial revenue forecasts filed in previous PUB proceedings and the actual results/current extra-provincial revenue forecasts in the current Application. It goes to the reliability of export revenue forecasting which is material to rate setting. PUB/MH 1-14, 1-15 pose different questions.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

COALITION/MH-I-24c

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE

Using multiple years of export price forecasts

These questions are critical to testing Hydro's credibility in this important element of rates.

In this information request in particular, it is important to trace the accuracy of Hydro's forecasting methodology over a number of years. Hydro's forecasts with regard to export revenues have been notoriously challenged.

The information sought can provide insight into:

- a) overall credibility of forecasts of export prices;
- b) changes in forecasting methodology year over year which might affect credibility.

IFF 11-2 versus IFF 12

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COALITION/MH-I-24c

The Coalition maintains its request for IFF11-2. IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF111-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting analysis in that unlike IFF12:

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that the question be answered as posed.

Section:	Tab 3: Appendix 3.3, Figure 5.1 Tab 11: Appendix 11.19	Page No.:	7Pages 3-4
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Extra-Provincial Revenue		
Issue:	Changes in Extra-Provincial Revenues		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide a schedule that explains the variance between the annual export revenue values shown in IFF10 and those in IFF14 broken down as between volume, price (US\$), exchange rate and other differences for the years 2014/15 and beyond. Please explain any material variances.

RATIONALE FOR QUESTION:

The information is required to understand changes as between the extra-provincial revenue forecasts filed in previous PUB proceedings and the actual results/current extra-provincial revenue forecasts in the current Application. It goes to the reliability of export revenue forecasting which is material to rate setting. PUB/MH 1-14, 1-15 pose different questions.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

This question is critical to testing Hydro's credibility in this important element of rates.

In this information request in particular, we seek to specifically test the reliability of Hydro's export revenues over time. Much of the rationale for Hydro's rate increase is driven by forecasts relating to years beyond the test years.

It is important to trace the accuracy of Hydro's export related forecasting methodology over a longer period of time. Hydro's forecasts with regard to export revenues have been notoriously challenged.

The information sought can provide insight into overall credibility of longer term export revenue forecasts.

We ask that the information sought be provided.

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COALITION/MH-I-24d

Section:	Tab 3: Appendix 3.3, Figure 5.1 Tab 11: Appendix 11.19	Page No.:	7 Pages 3-4
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Extra-Provincial Revenue		
Issue:	Changes in Extra-Provincial Revenues		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide a schedule that explains the variance between the annual export revenue values shown in IFF11-2 and those in IFF14 broken down as between volume, price (US\$), exchange rate and other differences for the years 2014/15 and beyond. Please explain any material variances.

RATIONALE FOR QUESTION:

The information is required to understand changes as between the extra-provincial revenue forecasts filed in previous PUB proceedings and the actual results/current extra-provincial revenue forecasts in the current Application. It goes to the reliability of export revenue forecasting which is material to rate setting. PUB/MH 1-14, 1-15 pose different questions.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

Examining export price forecasts

These Question 24 series is critical to testing Hydro's credibility in this important element of rates.

In this information request in particular, it is important to trace the accuracy of Hydro's forecasting methodology over a number of years. Hydro's forecasts with regard to export revenues have been notoriously challenged.

The information sought can provide insight into:

- a) overall credibility of forecasts of export prices;
- b) changes in forecasting methodology year over year which might affect credibility.

IFF 11-2 versus IFF 12

The Coalition maintains its request for IFF11-2. IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF11-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting analysis in that unlike IFF12:

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that the question be answered as posed.

Section:	Tab 3: Appendix 3.3	Page No.:	12
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Depreciation and Amortization Expense		
Issue:	Change from Previous Forecasts		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide a schedule that starting in 2011/12 sets out the Depreciation and Amortization expense for IFF11-2 and IFF14 through to 2031/32. For each IFF, please use actuals where appropriate.

RATIONALE FOR QUESTION:

High level information is required in order to understand change in actual/forecast depreciation and amortization expense from that filed in the 2012/13 & 2013/14 GRA. More detailed requests are deferred to MIPUG and to PUB/MH 1-38 to 1-46.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against

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COALITION/MH-I-26a

the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE

IFF 11-2 versus IFF 12

The Coalition maintains its request for IFF11-2. IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF11-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting analysis in that unlike IFF12:

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

The Coalition would ask that the question be answered as posed.

Section:	Tab 3: Appendix 3.3	Page No.:	12
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Depreciation and Amortization Expense		
Issue:	Change from Previous Forecasts		

PREAMBLE TO IR (IF ANY):

QUESTION:

For each year, please breakdown the variance between two IFFs into that caused by: i) the difference in assets in service (including regulated assets), ii) the change in depreciation rates as recommended by the recent depreciation study, iii) removal of negative salvage and iv) the change in depreciation methodology.

RATIONALE FOR QUESTION:

High level information is required in order to understand change in actual/forecast depreciation and amortization expense from that filed in the 2012/13 & 2013/14 GRA. More detailed requests are deferred to MIPUG and to PUB/MH 1-38 to 1-46.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

[Date Filed]

COALITION/MH-I-26b

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The Coalition maintains its request for IFF11-2. IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF111-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting analysis in that unlike IFF12:

- it was relied upon to justify an application;
- it was subject to two rounds of information;

- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that a comparison to IFF11-2 be provided. The request for IFF13 is withdrawn.

COALITION RESPONSE

The Coalition question proposed the response be based on IFF11-2.

IFF11-2 was the basis for the Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and in cross examination. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to fully explore the basis for the forecast

Based upon Hydro's response, the PUB has two alternatives:

- to rely upon an IFF that was fully tested (11-2);
- to rely upon an IFF that was not fully tested (12).

Given the timing of IFF12, it is more appropriate to use IFF11-2 as the basis for the previous GRA and, subsequently, the basis for comparison with IFF14.

Our client would ask that Hydro be directed to undertake the comparison based upon the extensively tested IFF (11-2).

Insert additional comments from Bill

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COALITION/MH-I-28a

Section:	Tab 3: Appendix 3.3	Page No.:	14-15
Topic:	Integrated Financial Forecast and Economic Outlook		
Subtopic:	Capital Expenditure Forecast		
Issue:	Changes in Capital Expenditure Forecast		

PREAMBLE TO IR (IF ANY):

Please read this question in light of PUB/MH 1-25.

QUESTION:

Please provide a schedule that compares the total annual electric capital spending in IFF11-2 with that in IFF14 for the years 2011/12 through 2031/32. Please include actuals for 2011/12 – 2013/14 when setting out the values for IFF14.

RATIONALE FOR QUESTION:

Information is required in order to understand the change in the capital expenditures forecast from that submitted in the last GRA. It goes to reasonableness of prioritization plans and to prudence of expenditures. The request seeks detail that differs from PUB/MH 1-25.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load

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Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The Coalition maintains its request for IFF11-2. IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF111-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting analysis in that unlike IFF12:

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that a comparison to IFF11-2 be provided.

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COALITION RESPONSE

The Coalition question proposed the response be based on IFF11-2.

IFF11-2 was the basis for the Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and in cross examination. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to fully explore the basis for the forecast

Based upon Hydro's response, the PUB has two alternatives:

- to rely upon an IFF that was fully tested (11-2);
- to rely upon an IFF that was not fully tested (12).

Given the timing of IFF12, it is more appropriate to use IFF11-2 as the basis for the previous GRA and, subsequently, the basis for comparison with IFF14.

Our client would ask that Hydro be directed to undertake the comparison based upon the extensively tested IFF (11-2).

Insert additional comments from Bill

Section:	Tab 4Appendix 4.1	Page No.:	4 & 13-153-8
Topic:	Capital Expenditure Forecast		
Subtopic:	Capital In-Service		
Issue:	Continuity Schedule		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide a continuity schedule based on IFF14 (Electric Operations) that for the years 2014/15 through 2033/34 shows for each of Major New G&T, Major Capital and Base Capital:

- i. Total assets in-service (gross), accumulated depreciation, net assets-in-service and construction work-in-progress (CWIP) at the start of the year,
- ii. The capital spending during the year (per CEF14),
- iii. The assets placed in service during the year,
- iv. The assets retired during the year along with associated accumulated depreciation,
- v. Annual deprecation,
- vi. The assets in service (gross), accumulated depreciation, net assets-in-service and CWIP at year end which will also be the values for the start of the next year. Note: CWIP at year end should equal CWIP at the start of the year, less assets place in service, plus capital expenditures for the year.

RATIONALE FOR QUESTION:

Information is required in order to better understand the impact of the forecast capital expenditures on Manitoba Hydro's financial outlook. More detailed analysis on depreciation will be left to MIPUG and PUB IRs 1-38 to 1-46.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro understands that the PUB's Rules of Practice and Procedure, and its practice, is to look at the relevance of the information sought, the significance, and the reasonableness of the request when the PUB considers its discretion of permitting IRs. Manitoba Hydro seeks the PUB's direction with respect to the reasonableness, relevance, significance and value that this IR would provide to the PUB in making its determinations, in light of the total number of IRs and the significant amount of time and effort that Manitoba Hydro would have to spend in responding to this IR.

COALITION RESPONSE:

Manitoba Hydro's response is extremely puzzling. It does not amount to an objection simply a refusal. Hydro does not suggest the material sought is irrelevant or immaterial. It simply seeks direction from the PUB.

As MH has noted it is the assets in-service that drive the depreciation and financing costs that appear in the revenue requirement. A schedule which sets out how the capital expenditures in each year translated into in-service assets is relevant as is the requested breakdown which serves to indicate what "types of asset additions" are occurring.

It is difficult to understand why MH would not be able to provide a response as the IR is simply asking for a continuity schedule that sets out for each year the changing amount for assets in service, capital expenditures and construction work in progress using the same spending as MH

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COALITION/MH-I-32ci-vi

uses in its own CEF. At an aggregate level, this the basic type of information that goes into the creation of the balance sheet for each year.

We would ask that the question be answered as posed.

Section:	Tab 4	Page No.:	12
Topic:	Capital Expenditure Forecast		
Subtopic:	Sustaining Capital		
Issue:	Historical Spending		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide a revised version of Figure 4.12 that includes the actual spending by asset type for 2011/12, 2012/13 and 2013/14.

RATIONALE FOR QUESTION:

The information requests seeks to better understand those areas where expenditures on Sustaining Capital are increasing. The question is distinct from PUB/MH 1-18, 1-19.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

COALITION/MH-I-35

The information presented in Figure 4.12 was specifically developed for this application to be consistent with Manitoba Hydro's Asset Condition Assessment report. This information is not available in this format for previous years' actual results or previous CEFs.

COALITION RESPONSE:

Manitoba Hydro does not deny the information sought is material and relevant. Hydro does not seek to offer an alternative mechanism or format for providing a substantive response consistent with the spirit of the inquiry. Manitoba Hydro is refusing to provide a meaningful response to the substance of a question that is material and relevant.

Total sustaining expenditures are increasing significantly over the test period when compared to either historic spending levels or the projections in past CEFs.

The interrogatory seeks to understand specifically where these increases are occurring and to obtain the information in a form that allows the comparisons between areas of increased spending and MH's Asset Condition Assessment report's findings which are purportedly the basis for the increased spending. T

his is a totally legitimate line of inquiry and, if the information is not available in the form requested, then MH should attempt to suggest other approaches that could address the issue.

The Coalition would ask that Hydro be directed to provide a substantive response aimed at responding to the spirit of a material and relevant inquiry.

Section:	Tab 4	Page No.:	16-17
Topic:	Capital Expenditure Forecast		
Subtopic:	Sustaining Capital Spending		
Issue:	Reliability Trends		

PREAMBLE TO IR (IF ANY):

QUESTION:

With respect to Figure 4.15, how do Manitoba Hydro's outage rates for hydro-electric generation compare with those for other CEA utilities?

RATIONALE FOR QUESTION:

The information request seeks to better understand the historic reliability trends reported. The issues go to the prudence and reasonableness of expenditures.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro does not possess, or is not in a position to disclose specific and confidential information, for individual utilities of the Canadian Electrical Association.

COALITION RESPONSE:

Manitoba Hydro does not deny the information is relevant and material. It does not deny that it has access to CEA surveys. The sole issue is whether it can provide a meaningful response without disclosing utility specific information.

The Coalition does not require individual utility information. The Coalition is aware other utilities such as as FortisBC report their performance relative to average (and we believe relative to quartiles/quintiles) from CEA surveys.

Responding to the questions does not require the publication of individual utility data. If Manitoba Hydro has access to the results of CEA surveys regarding the issues raised, information could be provided as to how MH compares with the average observed across the Canadian utilities and also which quartile/quintile MH's performance falls. This can be done without revealing individual utility data.

We fully expect Hydro has access to CEA surveys.

The information provided offers an important perspective into the "rates for service" of Manitoba Hydro by providing insight into its relative performance compared to other Canadian jurisdictions.

We ask that Hydro be directed to confirm it has access to CEA surveys. Assuming it has access to CEA surveys, we ask that it be directed to provide a response based upon how MH compares with the average observed across the Canadian utilities. We also ask that Hydro be directed to indicate which quartile/quintile its performance falls into.

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Section:	Tab 5Appendix 5.1	Page No.:	3104
Topic:	Financial Results & Forecasts		
Subtopic:	Summary of Financial Results and Forecasts		
Issue:	Forecast versus Actual Results		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide a schedule that contrasts the actual Statement of Income results for 2012/13 and 2013/14 (per Schedule 5.1.0) with the forecast in MH11-2 from the previous GRA for the same years.

RATIONALE FOR QUESTION:

To understand changes that have occurred for 2012/13 and 2013/14 since the last GRA. This goes to the reliability of short and medium term Hydro forecasts which are a central element of rate setting.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

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COALITION RESPONSE:

The Coalition maintains its request for IFF11-2. IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF11-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting analysis in that unlike IFF12:

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that a comparison to IFF11-2 be provided.

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COALITION RESPONSE:

The Coalition question proposed the response be based on IFF11-2.

IFF11-2 was the basis for the Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and in cross examination. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to fully explore the basis for the forecast

Based upon Hydro's response, the PUB has two alternatives:

- to rely upon an IFF that was fully tested (11-2);
- to rely upon an IFF that was not fully tested (12).

Given the timing of IFF12, it is more appropriate to use IFF11-2 as the basis for the previous GRA and, subsequently, the basis for comparison with IFF14.

Our client would ask that Hydro be directed to undertake the comparison based upon the extensively tested IFF (11-2).

Section:	Tab 5Appendix 5.1	Page No.:	3104
Topic:	Financial Results & Forecasts		
Subtopic:	Summary of Financial Results and Forecasts		
Issue:	Forecast versus Actual Results		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide a commentary that explains any material variances for each year.

RATIONALE FOR QUESTION:

To understand changes that have occurred for 2012/13 and 2013/14 since the last GRA. This goes to the reliability of short and medium term Hydro forecasts which are a central element of rate setting.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against

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the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE

COALITION RESPONSE:

The Coalition question proposed the response be based on IFF11-2, IFF 12 and IFF13.

The Coalition question proposed the response be based on IFF11-2, IFF 12 and IFF 13. Hydro agrees to provide an answer based on IFF 12 but excludes the more valuable IFF11-2 as well as IFF 13.

While Hydro actually compares its analysis to IFF13 in its application (Tab 3, page 5), the Coalition is prepared to withdraw its request for IFF13 on the grounds that the IFF has not been tested in past proceedings.

The Coalition maintains its request for IFF11-2. IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF111-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting analysis in that unlike IFF12:

- it was relied upon to justify an application;
- it was subject to two rounds of information;

- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that a comparison to IFF11-2 be provided.

Section:	Tab 5: Appendix 5.5, Figures 5.5.13 & 5.5.16	Page No.:	15 & 21
Topic:	Financial Results & Forecasts		
Subtopic:	Operating, Maintenance and Administrative		
Issue:	OM&A Reconciliation		

PREAMBLE TO IR (IF ANY):

QUESTION:

For each of the Business Unit reported in Schedule 5.5.16, please provide a schedule that sets out the adjustments (e.g., accounting changes, charges to capital, capitalized overhead and charges to Centra) required to arrive at the Unit's contribution to Electric OM&A (excluding accounting changes) per Schedule 5.5.13 for each year shown.

RATIONALE FOR QUESTION:

Information request seeks to reconcile the Electric OM&A values reported in the Application.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro understands that the PUB's Rules of Practice and Procedure, and its practice, is to look at the relevance of the information sought, the significance, and the reasonableness of the request when the PUB considers its discretion of permitting IRs. Manitoba Hydro seeks the PUB's direction with respect to the reasonableness, relevance, significance and value that this IR would provide to the PUB in making its determinations, in light of the total number of IRs and the significant amount of time and effort that Manitoba Hydro would have to spend in responding to this IR.

COALITION RESPONSE:

MH appears to claim that this IR is out of scope and irrelevant without providing an explanation why. The response is not in keeping with the spirit of the PUB directions regarding the information request process.

The purpose of the IR is to separate out these various factors so that one can see the year over year changes in each Business Unit's contribution to Electric Operations OM&A on a comparable basis (i.e. excluding the impact of accounting changes). It is difficult to see how such a request is not relevant.

The referenced Schedule (Appendix 5.5, Figure 5.5.16) provides year over year information on the total OM&A by Business Unit. As such the totals for each business unit include not only costs that are associated with the Electric Operations but also costs that will be capitalized and costs that are associated with Centra's Operations (as well as possibly MH's other subsidiaries). Any year over year comparison of the Business Unit costs will be confounded by the various accounting changes that are occurring over the years.

MH notes that total Electric Operations OM&A (excluding the impact of accounting changes) is increasing at less than inflation. This information will allow parties and the PUB to if this level of restraint is being exercised across all Business Units.

The Coalition asks that the question be answered as posed.

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COALITION/MH-I-61a

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

QUESTION:

With respect to Appendix 7.1, page 5, please provide a schedule that contrasts the Residential customer count forecast as set out in the 2011 Load Forecast with that of the current Load Forecast. In the case of the 2014 Load Forecast please report actual values where available. Please explain the reasons for the variance in: i) the subsequent actual values versus the 2011 forecast and ii) the variance, for 2014/15 forward, between the 2011 and the 2014 forecasts.

RATIONALE FOR QUESTION:

To understand the reasons for changes in customer count and energy use as between forecasts and between the historic and forecast periods. Questions are distinct from PUB/MH 1-54 – 1-60.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load

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Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The Coalition maintains its request for IFF11-2. IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF11-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting analysis in that unlike IFF12:

- it was relied upon to justify an application;
- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that a comparison to IFF11-2 be provided.

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COALITION RESPONSE:

The Coalition question proposed the response be based on IFF11-2.

IFF11-2 was the basis for the Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and in cross examination. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to fully explore the basis for the forecast

Based upon Hydro's response, the PUB has two alternatives:

- to rely upon an IFF that was fully tested (11-2);
- to rely upon an IFF that was not fully tested (12).

Given the timing of IFF12, it is more appropriate to use IFF11-2 as the basis for the previous GRA and, subsequently, the basis for comparison with IFF14.

Our client would ask that Hydro be directed to undertake the comparison based upon the extensively tested IFF (11-2).

Section:	Tab 7: Appendix 7.1	Page No.:	60-61
Topic:	Electric Load Forecast		
Subtopic:	Residential		
Issue:	Forecast Methodology		

PREAMBLE TO IR (IF ANY):

QUESTION:

With respect to Appendix 7.1, page 61, please provide a schedule that for the last ten historic years sets out:

- i. Total Residential Basic use – actual and weather adjusted
- ii. Total Impact of DSM programs
- iii. Total impact of Codes and Standards
- iv. Resulting Residential Basic gross use ((i.e., (i) + (ii) + (iii))

RATIONALE FOR QUESTION:

To obtain a better understanding of the Residential load forecast methodology.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro understands that the PUB's Rules of Practice and Procedure, and its practice, is to look at the relevance of the information sought, the significance, and the reasonableness of the request when the PUB considers its discretion of permitting IRs. Manitoba Hydro seeks the PUB's direction with respect to the reasonableness, relevance, significance and value that this IR would provide to the PUB in making its determinations, in light of the total number of IRs and the significant amount of time and effort that Manitoba Hydro would have to spend in responding to this IR.

COALITION RESPONSE:

This is a puzzling response.

Rather than offer a specific explanation of why Hydro does not believe the information posed is relevant and material, Hydro offers a generic response that is not in keeping with the PUB intent relating to information requests.

In terms of relevance, the approach to Residential load forecasting has changed from that used in the 2011 and 2012 Load Forecasts filed at the last GRA. These IRs seek to understand the information that went into the development of the average use model used in this new approach and also allow parties to compare the historical data with the components of the Residential forecast which are the subject of COALITION/MH I-62 d) – which MH has not objected to.

It is difficult to see how MH is unable to provide a response to part (a). In Appendix 7.1, page 61, MH explains that it determined forecast overall average use based a regression model that used historic data for $\{(Total\ Use + DSM\ Programs + C\&S) / customers\}$ as the dependent variable. All the interrogatory is asking for is the historic data for each of the three elements that make of the numerator.

The Coalition asks that the question be answered as posed.

Section:	Tab 7: Appendix 7.1	Page No.:	60-61
Topic:	Electric Load Forecast		
Subtopic:	Residential		
Issue:	Forecast Methodology		

PREAMBLE TO IR (IF ANY):

QUESTION:

With respect to Appendix 7.1 – pages 60-61, please provide a schedule that sets out the annual historic ratio of Electric Heat Customer Count to Total Residential Basic Customer Count for the last 20 years and the ratio’s projected value for each of the forecast years.

RATIONALE FOR QUESTION:

To obtain a better understanding of the Residential load forecast methodology.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro understands that the PUB’s Rules of Practice and Procedure, and its practice, is to look at the relevance of the information sought, the significance, and the reasonableness of the

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request when the PUB considers its discretion of permitting IRs. Manitoba Hydro seeks the PUB's direction with respect to the reasonableness, relevance, significance and value that this IR would provide to the PUB in making its determinations, in light of the total number of IRs and the significant amount of time and effort that Manitoba Hydro would have to spend in responding to this IR.

COALITION RESPONSE:

This is a puzzling response.

Rather than offer a specific explanation of why Hydro does not believe the information posed is relevant and material, Hydro offers a generic response that is not in keeping with the PUB intent relating to information requests.

In terms of relevance, the approach to Residential load forecasting has changed from that used in the 2011 and 2012 Load Forecasts filed at the last GRA. These IRs seek to understand the information that went into the development of the average use model used in this new approach and also allow parties to compare the historical data with the components of the Residential forecast which are the subject of COALITION/MH I-62 d) – which MH has not objected to.

It is difficult to see how MH is unable to provide a response to part (b). In Appendix 7.1, page 61, MH explains that it determined forecast overall average use based a regression model that used historic data for $\{(Total\ Use + DSM\ Programs + C\&S) / customers\}$ as the dependent variable. All the interrogatory is asking for is the historic data for each of the three elements that make of the numerator.

In part (b), the Coalition is simply asking for the historic and forecasts values for the “Ratio” variable that MH uses in the same equation.

We ask that the question be answered as posed.

Section:	Tab 7Tab 7: Appendix 7.1	Page No.:	4-55
Topic:	Electric Load Forecast		
Subtopic:	General Service Sector – Mass Market		
Issue:	Forecast and Actual Variances		

PREAMBLE TO IR (IF ANY):

QUESTION:

With respect to Appendix 7.1, page 5, please provide a schedule that contrasts the Mass Market customer count forecast as set out in the 2011 Load Forecast with that of the current Load Forecast. In the case of the 2014 Load Forecast please report actual values where available. Please explain the reasons for the variance in: i) the subsequent actual values versus the 2011 forecast and ii) the variance, for 2014/15 forward, between the 2011 and the 2014 forecasts.

RATIONALE FOR QUESTION:

To understand the reasons for changes in customer count and energy use as between forecasts and between the historic and forecast periods.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests comparisons of MH's current forecast against previous forecasts. Manitoba Hydro's understanding of the intention of PUB/MH 1-5(b) was to provide a comparison against the last forecast that was relied upon by the PUB at the last GRA, that being IFF12. Manitoba Hydro submits that all comparisons of its current forecast should be made against IFF 12/CEF 12/2012 Load Forecast and the 2012/13 Corporate Strategic Plan ("CSP") to ensure consistency throughout the IR responses, and minimize the number of comparisons made to super-ceded forecasts thereby reducing the potential for confusion and reducing the time required to respond to these IRs.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide a comparison of its current forecasts (namely IFF 14, CEF 14, 2014 Load Forecast, and the November 2013 CSP) against IFF12, CEF12, the 2012 Load Forecast, and the 2012/13 CSP.

COALITION RESPONSE:

The Coalition maintains its request for IFF11-2. IFF11-2 was the basis for the prior Rate Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and the intervenor evidence. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to examine the forecast in information requests and expert evidence.

In terms of the period between 2014/15 and 2016/17, the difference between the two forecasts is material in areas such as:

- export revenues – IFF 11-2. \$1.365 B vs. IFF12 - \$1.13 B (over \$200 M)
- net income - IFF11-2 - \$345 M vs. IFF12 - \$180 M (almost 50% less)

Declining to providing the response to IFF11-2 would materially affect the results of the answer.

There can be no doubt that IFF11-2 is the superior forecast for rate setting analysis in that unlike IFF12:

- it was relied upon to justify an application;

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- it was subject to two rounds of information;
- it was directly tested in pre-filed intervenor evidence.

In the event the response is not provided, it will lead to hearing inefficiency in that the Coalition will need to pursue a comparison in cross examination.

The Coalition would ask that a comparison to IFF11-2 be provided.

COALITION RESPONSE

The Coalition question proposed the response be based on IFF11-2.

IFF11-2 was the basis for the Application as initially filed by Hydro. It was extensively tested in two rounds of IRs and in cross examination. By contrast, IFF 12 was not filed until after the responses to the second round of IRs had been completed by Manitoba Hydro. As a result, there was little to no opportunity to fully explore the basis for the forecast

Based upon Hydro's response, the PUB has two alternatives:

- to rely upon an IFF that was fully tested (11-2);
- to rely upon an IFF that was not fully tested (12).

Given the timing of IFF12, it is more appropriate to use IFF11-2 as the basis for the previous GRA and, subsequently, the basis for comparison with IFF14.

Our client would ask that Hydro be directed to undertake the comparison based upon the extensively tested IFF (11-2).

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COALITION/MH-I-64ai-iv

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

QUESTION:

With respect to Appendix 7.1, pages 63-64, please provide a schedule that for the last ten historic years sets out for each of the customer class groupings used by Manitoba Hydro (i.e., Small-ND, Small-D & Medium and Large):

- i. Total Use – actual and weather adjusted
- ii. Total Impact of DSM programs
- iii. Total impact of Codes and Standards
- iv. Resulting Total use ((i.e., (i) + (ii) + (iii))

RATIONALE FOR QUESTION:

To obtain a better understanding of the load forecast methodology as used for the General Service – Mass Market Sector.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro understands that the PUB's Rules of Practice and Procedure, and its practice, is to look at the relevance of the information sought, the significance, and the reasonableness of the request when the PUB considers its discretion of permitting IRs. Manitoba Hydro seeks the PUB's direction with respect to the reasonableness, relevance, significance and value that this IR would provide to the PUB in making its determinations, in light of the total number of IRs and the significant amount of time and effort that Manitoba Hydro would have to spend in responding to this IR.

COALITION RESPONSE:

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Hydro's rationale for refusal in not keeping with the Board's direction to provide specifics.

In terms of relevance, MH is introducing a new approach to forecasting average use for these customer classes as compared to that used in the previous GRA. The IR seeks to understand the information that went into the development of the average use models used in this new approach and also allow parties to compare the historical data with the components of the forecast for each of the Mass Market classes which are the subject of COALITION/MH I-6b b) – which MH has not objected to.

Again, it is difficult to see how MH would be unable to answer the question. In Appendix 7.1 (page 63) MH outlines how a regression model for Average Use for each of the General Service Mass Market classes using historical data that excluded the effects of DSM and Codes & Standards (C&S). The IR simply asks for the historical data for use by class and along with the adjustments made for DSM and C&S.

The Coalition asks that the question be answered as posed.

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COALITION/MH-I-67ai-iv

Section:
Topic:
Subtopic:
Issue:

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide the updated marginal costs used to evaluate DSM programs as discussed in Appendix 8.1, page 10. In doing so please provide:

- i. the marginal cost values for generation, transmission and distribution.
- ii. the resulting total marginal cost associated with a transmission-connected customer (as measured at the point of delivery).
- iii. the resulting total marginal cost associated with a distribution-connected customer (as measured as the point of delivery).
- iv. the basis on which the marginal cost are quoted (e.g., in what year's dollars, are the values real or nominal, and over what period where they calculated).

RATIONALE FOR QUESTION:

Marginal Costs are used in the evaluation of DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as

information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters

COALITION RESPONSE:

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

As noted by MH the scope of the current hearing is to focus - “...on the reasonableness of and justification for, Manitoba Hydro ‘s projected DSM expenditures during the test years.” However, it impractical to address the reasonableness and justification for the projected DSM expenditures without also looking at and understanding (at least at an aggregate level) the increase in energy savings that is accompanying this increase in spending.

COALITION/MHI-67 seeks to understand the marginal costs currently used to evaluate DSM programs. Comparisons with marginal costs used in previous GRAs to support DSM spending will provide another basis for checking the reasonableness of the increased spending proposed for DSM.

It should be noted that, consistent with the PUB’s view that the specific details of MH’s DSM plans were extensively reviewed previously, this question does not deal with program specifics or the metrics of specific programs. Rather it focuses on aggregate spending, aggregate achievements and aggregate program metrics.

The Coalition requests the question be answered as posed.

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COALITION/MH-I-67b

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

QUESTION:

Were these same marginal cost values used in the calculation of the Utility Marginal Benefits as described in Appendix 8.2 (Exhibit 4.4.1.3-B)? If not, what values were used for the 2012/13 Power Smart Annual Review and what were they based on?

RATIONALE FOR QUESTION:

Marginal Costs are used in the evaluation of DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

COALITION RESPONSE:

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

As noted by MH the scope of the current hearing is to focus - “...on the reasonableness of and justification for, Manitoba Hydro ‘s projected DSM expenditures during the test years.” However, it is impractical to address the reasonableness and justification for the projected DSM expenditures without also looking at and understanding (at least at an aggregate level) the increase in energy savings that is accompanying this increase in spending.

COALITION/MHI-67 seeks to understand the marginal costs currently used to evaluate DSM programs. Comparisons with marginal costs used in previous GRAs to support DSM spending will provide another basis for checking the reasonableness of the increased spending proposed for DSM.

It should be noted that, consistent with the PUB’s view that the specific details of MH’s DSM plans were extensively reviewed previously, this question does not deal with program specifics or the metrics of specific programs. Rather it focuses on aggregate spending, aggregate achievements and aggregate program metrics.

The Coalition requests the question be answered as posed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-68a

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

QUESTION:

The Executive Summary of Appendix 8.1 references an overall electric Power Smart portfolio TRC of 2.2, a RIM of 1.0 and a levelized cost of 1.8 cents per kilowatt hour. Are these values based on the entire 2014 to 2029 period or just 2014-2017?

RATIONALE FOR QUESTION:

To clarify the basis for the DSM metrics values quoted.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

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COALITION/MH-I-68a

COALITION RESPONSE:

The objection of Hydro is a generic one not directed to the specifics of the request.

COALITION/MH I-68 simply seeks to confirm whether the aggregate DSM program metrics quoted in the Application are for the DSM programs to be implemented in the test years or over the longer 15-year horizon covered by Appendix 8.1.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

As noted by MH the scope of the current hearing is to focus - “...on the reasonableness of and justification for, Manitoba Hydro ‘s projected DSM expenditures during the test years.” However, it is impractical to address the reasonableness and justification for the projected DSM expenditures without also looking at and understanding (at least at an aggregate level) the increase in energy savings that is accompanying this increase in spending.

It should be noted that, consistent with the PUB’s view that the specific details of MH’s DSM plans were extensively reviewed previously, this question does not deal with program specifics or the metrics of specific programs. Rather it focuses on aggregate spending, aggregate achievements and aggregate program metrics.

The Coalition requests the question be answered as posed.

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COALITION/MH-I-68b

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

QUESTION:

If based on the 2014-2029 period, what are the values for the electric Power Smart programs initiated in the first three years (i.e., 2014/15 to 2016/17)?

RATIONALE FOR QUESTION:

To clarify the basis for the DSM metrics values quoted.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

COALITION RESPONSE:

The objection of Hydro is a generic one not directed to the specifics of the request.

COALITION/MH I-68 simply seeks to confirm whether the aggregate DSM program metrics quoted in the Application are for the DSM programs to be implemented in the test years or over the longer 15-year horizon covered by Appendix 8.1. In the event that

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COALITION/MH-I-68b

Hydro is providing figures for the longer time horizon, question 68 b) seeks to draw Manitoba Hydro's information back to the test year period.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

As noted by MH the scope of the current hearing is to focus - "*...on the reasonableness of and justification for, Manitoba Hydro 's projected DSM expenditures during the test years.*" However, it impractical to address the reasonableness and justification for the projected DSM expenditures without also looking at and understanding (at least at an aggregate level) the increase in energy savings that is accompanying this increase in spending.

It should be noted that, consistent with the PUB's view that the specific details of MH's DSM plans were extensively reviewed previously, this question does not deal with program specifics or the metrics of specific programs. Rather it focuses on aggregate spending, aggregate achievements and aggregate program metrics.

The Coalition requests the question be answered as posed.

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Section:	Order 159/04Tab 102012/13 & 2013/14 GRA, Tab 13: Appendix 13.1	Page No.:	(ii) & 6714
Topic:	PUB Directives and Interim Orders		
Subtopic:	Directives from Order 134/10		
Issue:	Diesel Settlement Agreement – Retirement of Accumulated 2004 Deficit		

PREAMBLE TO IR (IF ANY):

Order 159/04 indicated that, under the Settlement Agreement, Manitoba Hydro “would request Board approval for an allocation of net electricity export revenues to first retire the diesel zone accumulated deficit. Once the deficit had been recovered, the net export revenue would be used to reduce costs allocated to the diesel-zone customer class, thus reducing the otherwise rate requirement.”

Appendix 13.1 (from the previous GRA) notes that an allocation of export revenues to Diesel is currently being applied against the accumulated deficit which is expected to fully paid off by March 31, 2014.

QUESTION:

Please provide a 2004-2014 continuity schedule for the accumulated deficit that sets out the initial accumulated deficit (as of 2004), the amount retired each year (through the allocation of net export revenues) and the outstanding balance (if any) as of March 31, 2014.

RATIONALE FOR QUESTION:

The Settlement Agreement expected that the accumulated Diesel deficit as of March 31, 2014 would be retired by March 31, 2014 through an allocation of net export revenues.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

On page 22 of Order 18/15, the PUB approved MKO’s intervention with respect to “The finalization of Diesel Rates, provided MKO has provided Manitoba Hydro and Canada

with all settlement documents”. It is premature and unwarranted for Manitoba Hydro to be responding to this IR as the documents have not yet been produced by MKO.

COALITION RESPONSE:

The response of Hydro puts the Coalition in an awkward position. In the event that MKO files the agreement later in the hearing the Coalition will not have the opportunity to pose follow up information requests.

Hydro does not deny the information is relevant and material.

The interrogatory does not, as implied by MH’s letter, question the COSS methodology itself as it relates to the treatment of net export revenues. Indeed, part (b) acknowledges that the upcoming proceeding on COSS methodology is a more appropriate place for this to occur – if it has not occurred already.

However, as noted in the preamble to the question, a change in the COSS treatment of net export revenues was one of the elements of the Settlement Agreement which underpins the interim rates currently approved for the Diesel Communities. As MH is currently seeking final approval of these rates the status of the Settlement Agreement and its success in ensuring the ability of the interim Diesel rates to meet the financial requirements of the Diesel Communities’ electric operations should be in scope.

Parts (a) and (b) of the interrogatory simply seek to ascertain the status of this particular element of the Settlement Agreement.

These IRs are relevant with respect to the requested “final” approval of the current interim Diesel Community rates. However, it is agreed that there is no need for MH to respond to the noted IRs if final approval of the current interim rates for Diesel Communities is not part of the scope of the current proceeding.

If Hydro continues to request final approval of the current interim diesel rates, the Coalition asks that the responses be provided or in the alternative that an opportunity for follow up information requests be provided.

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COALITION/MH-I-75b

Section:	Order 159/04Tab 102012/13 & 2013/14 GRA, Tab 13: Appendix 13.1	Page No.:	(ii) & 6714
Topic:	PUB Directives and Interim Orders		
Subtopic:	Directives from Order 134/10		
Issue:	Diesel Settlement Agreement – Retirement of Accumulated 2004 Deficit		

PREAMBLE TO IR (IF ANY):

Order 159/04 indicated that, under the Settlement Agreement, Manitoba Hydro “would request Board approval for an allocation of net electricity export revenues to first retire the diesel zone accumulated deficit. Once the deficit had been recovered, the net export revenue would be used to reduce costs allocated to the diesel-zone customer class, thus reducing the otherwise rate requirement.”

Appendix 13.1 (from the previous GRA) notes that an allocation of export revenues to Diesel is currently being applied against the accumulated deficit which is expected to fully paid off by March 31, 2014.

QUESTION:

What has been the impact on Manitoba Hydro’s retained earnings (as of March 2014) of allocating a portion of export revenues to “retire” the accumulated deficit as opposed to recovering the deficit through Diesel rates as was the prior practice?

RATIONALE FOR QUESTION:

The Settlement Agreement expected that the accumulated Diesel deficit as of March 31, 2014 would be retired by March 31, 2014 through an allocation of net export revenues.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

On page 22 of Order 18/15, the PUB approved MKO’s intervention with respect to “The finalization of Diesel Rates, provided MKO has provided Manitoba Hydro and Canada with all settlement documents”. It is premature and unwarranted for Manitoba Hydro to be responding to this IR as the documents have not yet been produced by MKO.

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COALITION RESPONSE:

The response of Hydro puts the Coalition in an awkward position. In the event that MKO files the agreement later in the hearing the Coalition will not have the opportunity to pose follow up information requests.

Hydro does not deny the information is relevant and material.

The interrogatory does not, as implied by MH's letter, question the COSS methodology itself as it relates to the treatment of net export revenues. Indeed, part (b) acknowledges that the upcoming proceeding on COSS methodology is a more appropriate place for this to occur – if it has not occurred already.

However, as noted in the preamble to the question, a change in the COSS treatment of net export revenues was one of the elements of the Settlement Agreement which underpins the interim rates currently approved for the Diesel Communities. As MH is currently seeking final approval of these rates the status of the Settlement Agreement and its success in ensuring the ability of the interim Diesel rates to meet the financial requirements of the Diesel Communities' electric operations should be in scope.

Parts (a) and (b) of the interrogatory simply seek to ascertain the status of this particular element of the Settlement Agreement.

These IRs are relevant with respect to the requested "final" approval of the current interim Diesel Community rates. However, it is agreed that there is no need for MH to respond to the noted IRs if final approval of the current interim rates for Diesel Communities is not part of the scope of the current proceeding.

If Hydro continues to request final approval of the current interim diesel rates, the Coalition asks that the responses be provided or in the alternative that an opportunity for follow up information requests be provided.

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COALITION/MH-I-76a

Section:	Tab 10Order 159/04
Topic:	PUB Directives and Interim Orders
Subtopic:	Directives from Order 134/10
Issue:	Diesel Settlement Agreement – Allocation of Net Export

PREAMBLE TO IR (IF ANY):

Order 159/04 indicated that, under the Settlement Agreement, Manitoba Hydro “would request Board approval for an allocation of net electricity export revenues to first retire the diesel zone accumulated deficit. Once the deficit had been recovered, the net export revenue would be used to reduce costs allocated to the diesel-zone customer class, thus reducing the otherwise rate requirement.”

QUESTION:

Please confirm that this item is still outstanding. If not, please indicate where the PUB has provided its approval.

RATIONALE FOR QUESTION:

To confirm the status of the Settlement Agreement provision whereby Manitoba Hydro would request Board approval for an allocation of net electricity export revenues: i) first to retire the diesel zone accumulated deficit and, then once the deficit had been recovered and, then, ii) to reduce costs allocated to the diesel-zone customer class, thus reducing the otherwise rate requirement.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

As found at page 22, in Order 18/15, it is premature to review matters associated with the allocation of net export revenues and/or the Diesel Cost of Service Study, as part of this proceeding as Manitoba Hydro is to file its cost of service study with the PUB later this year.

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COALITION/MH-I-76a

COALITION RESPONSE:

The response of Hydro puts the Coalition in an awkward position. In the event that MKO files the agreement later in the hearing the Coalition will not have the opportunity to pose follow up information requests.

Hydro does not deny the information is relevant and material.

The interrogatory does not, as implied by MH's letter, question the COSS methodology itself as it relates to the treatment of net export revenues. Indeed, part (b) acknowledges that the upcoming proceeding on COSS methodology is a more appropriate place for this to occur – if it has not occurred already.

However, as noted in the preamble to the question, a change in the COSS treatment of net export revenues was one of the elements of the Settlement Agreement which underpins the interim rates currently approved for the Diesel Communities. As MH is currently seeking final approval of these rates the status of the Settlement Agreement and its success in ensuring the ability of the interim Diesel rates to meet the financial requirements of the Diesel Communities' electric operations should be in scope.

Parts (a) and (b) of the interrogatory simply seek to ascertain the status of this particular element of the Settlement Agreement.

These IRs are relevant with respect to the requested "final" approval of the current interim Diesel Community rates. However, it is agreed that there is no need for MH to respond to the noted IRs if final approval of the current interim rates for Diesel Communities is not part of the scope of the current proceeding.

If Hydro continues to request final approval of the current interim diesel rates, the Coalition asks that the responses be provided or in the alternative that an opportunity for follow up information requests be provided.

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Section:	Tab 10Order 159/04	Page No.:	7(ii) & 6
Topic:	PUB Directives and Interim Orders		
Subtopic:	Directives from Order 134/10		
Issue:	Diesel Settlement Agreement – Allocation of Net Export Revenues		

PREAMBLE TO IR (IF ANY):

Order 159/04 indicated that, under the Settlement Agreement, Manitoba Hydro “would request Board approval for an allocation of net electricity export revenues to first retire the diesel zone accumulated deficit. Once the deficit had been recovered, the net export revenue would be used to reduce costs allocated to the diesel-zone customer class, thus reducing the otherwise rate requirement.”

QUESTION:

When does Manitoba Hydro plan to request this approval? Will it be part of the forthcoming Cost of Service Study Application?

RATIONALE FOR QUESTION:

To confirm the status of the Settlement Agreement provision whereby Manitoba Hydro would request Board approval for an allocation of net electricity export revenues: i) first to retire the diesel zone accumulated deficit and, then once the deficit had been recovered and, then, ii) to reduce costs allocated to the diesel-zone customer class, thus reducing the otherwise rate requirement.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

As found at page 22, in Order 18/15, it is premature to review matters associated with the allocation of net export revenues and/or the Diesel Cost of Service Study, as part of this proceeding as Manitoba Hydro is to file its cost of service study with the PUB later this year.

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COALITION RESPONSE:

The response of Hydro puts the Coalition in an awkward position. In the event that MKO files the agreement later in the hearing the Coalition will not have the opportunity to pose follow up information requests.

Hydro does not deny the information is relevant and material.

The interrogatory does not, as implied by MH's letter, question the COSS methodology itself as it relates to the treatment of net export revenues. Indeed, part (b) acknowledges that the upcoming proceeding on COSS methodology is a more appropriate place for this to occur – if it has not occurred already.

However, as noted in the preamble to the question, a change in the COSS treatment of net export revenues was one of the elements of the Settlement Agreement which underpins the interim rates currently approved for the Diesel Communities. As MH is currently seeking final approval of these rates the status of the Settlement Agreement and its success in ensuring the ability of the interim Diesel rates to meet the financial requirements of the Diesel Communities' electric operations should be in scope.

Parts (a) and (b) of the interrogatory simply seek to ascertain the status of this particular element of the Settlement Agreement.

These IRs are relevant with respect to the requested "final" approval of the current interim Diesel Community rates. However, it is agreed that there is no need for MH to respond to the noted IRs if final approval of the current interim rates for Diesel Communities is not part of the scope of the current proceeding.

If Hydro continues to request final approval of the current interim diesel rates, the Coalition asks that the responses be provided or in the alternative that an opportunity for follow up information requests be provided.

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COALITION/MH-I-76c

Section:	Tab 10Order 159/04	Page No.:	7(ii) & 6
Topic:	PUB Directives and Interim Orders		
Subtopic:	Directives from Order 134/10		
Issue:	Diesel Settlement Agreement – Allocation of Net Export Revenues		

PREAMBLE TO IR (IF ANY):

Order 159/04 indicated that, under the Settlement Agreement, Manitoba Hydro “would request Board approval for an allocation of net electricity export revenues to first retire the diesel zone accumulated deficit. Once the deficit had been recovered, the net export revenue would be used to reduce costs allocated to the diesel-zone customer class, thus reducing the otherwise rate requirement.”

QUESTION:

Why is Manitoba Hydro requesting final approval of the interim Diesel Rates that incorporate this term of the Agreement if PUB approval for the change in COSS treatment of export revenues has not been granted?

RATIONALE FOR QUESTION:

To confirm the status of the Settlement Agreement provision whereby Manitoba Hydro would request Board approval for an allocation of net electricity export revenues: i) first to retire the diesel zone accumulated deficit and, then once the deficit had been recovered and, then, ii) to reduce costs allocated to the diesel-zone customer class, thus reducing the otherwise rate requirement.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

As found at page 22, in Order 18/15, it is premature to review matters associated with the allocation of net export revenues and/or the Diesel Cost of Service Study, as part of this proceeding as Manitoba Hydro is to file its cost of service study with the PUB later this year.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-76c

COALITION RESPONSE:

If, as Hydro suggests, the approval of the change in treatment of net export revenues is to be part of the upcoming COSS review, then part (c) raises a legitimate question as to whether it is appropriate for the PUB to grant final approval to the current (interim) Diesel rates given that the terms of the Settlement Agreement have not been finalized.

The response of Hydro puts the Coalition in an awkward position. In the event that MKO files the agreement later in the hearing the Coalition will not have the opportunity to pose follow up information requests.

Hydro does not deny the information is relevant and material.

The interrogatory does not, as implied by MH's letter, question the COSS methodology itself as it relates to the treatment of net export revenues. Indeed, part (b) acknowledges that the upcoming proceeding on COSS methodology is a more appropriate place for this to occur – if it has not occurred already.

However, as noted in the preamble to the question, a change in the COSS treatment of net export revenues was one of the elements of the Settlement Agreement which underpins the interim rates currently approved for the Diesel Communities. As MH is currently seeking final approval of these rates the status of the Settlement Agreement and its success in ensuring the ability of the interim Diesel rates to meet the financial requirements of the Diesel Communities' electric operations should be in scope.

These IRs are relevant with respect to the requested "final" approval of the current interim Diesel Community rates. However, it is agreed that there is no need for MH to respond to the noted IRs if final approval of the current interim rates for Diesel Communities is not part of the scope of the current proceeding.

If Hydro continues to request final approval of the current interim diesel rates, the Coalition asks that the responses be provided or in the alternative that an opportunity for follow up information requests be provided.

Section:	Tab 10Order 159/04	Page No.:	7(ii) & 7
Topic:	PUB Directives and Interim Orders		
Subtopic:	Directives from Order 134/10		
Issue:	Diesel Settlement Agreement – INAC and Other Governments’ Pre-2004 Obligations		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please confirm that INAC (now AANDC) has paid \$3.2 million to MH for the surcharge billed to INAC by MH between November 2000 and May 2004 as required under the Settlement Agreement. If not, what is the status of this item?

RATIONALE FOR QUESTION:

To confirm whether INAC (now AANDC) and other government customers have met their obligations under the provisions of the Settlement Agreement regarding the accumulated 2004 deficit and undepreciated capital as of 2004.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

On page 22 of Order 18/15, the PUB approved MKO's intervention with respect to "The finalization of Diesel Rates, provided MKO has provided Manitoba Hydro and Canada with all settlement documents". It is premature and unwarranted for Manitoba Hydro to be responding to this IR as the documents have not yet been produced by MKO.

COALITION RESPONSE:

The response of Hydro puts the Coalition in an awkward position. In the event that MKO files the agreement later in the hearing the Coalition will not have the opportunity to pose follow up information requests.

Hydro does not deny the information is relevant and material.

This IR is relevant with respect to the requested "final" approval of the current interim Diesel Community rates. However, it is agreed that there is no need for MH to respond to the noted IRs if final approval of the current interim rates for Diesel Communities is not part of the scope of the current proceeding.

If Hydro continues to request final approval of the current interim diesel rates, the Coalition asks that the responses be provided or in the alternative that an opportunity for follow up information requests be provided.

Section:	Tab 10Order 159/04	Page No.:	7(ii) & 7
Topic:	PUB Directives and Interim Orders		
Subtopic:	Directives from Order 134/10		
Issue:	Diesel Settlement Agreement – INAC and Other Governments’ Pre-2004 Obligations		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please confirm that INAC (now AANDC), on behalf of the Federal government, paid MH 69% of the \$28.8 million of MH’s diesel-related undepreciated capital cost, the balance as at March 31, 2004, by July 7, 2005 without interest and no later than January 7, 2006. If so, please indicate whether interest was paid on any amounts paid between July 7, 2005 and July 7, 2006. If not, what is the status of this item?

RATIONALE FOR QUESTION:

To confirm whether INAC (now AANDC) and other government customers have met their obligations under the provisions of the Settlement Agreement regarding the accumulated 2004 deficit and undepreciated capital as of 2004.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

On page 22 of Order 18/15, the PUB approved MKO's intervention with respect to "The finalization of Diesel Rates, provided MKO has provided Manitoba Hydro and Canada with all settlement documents". It is premature and unwarranted for Manitoba Hydro to be responding to this IR as the documents have not yet been produced by MKO.

COALITION RESPONSE:

The response of Hydro puts the Coalition in an awkward position. In the event that MKO files the agreement later in the hearing the Coalition will not have the opportunity to pose follow up information requests.

Hydro does not deny the information is relevant and material.

This IR is relevant with respect to the requested "final" approval of the current interim Diesel Community rates. However, it is agreed that there is no need for MH to respond to the noted IRs if final approval of the current interim rates for Diesel Communities is not part of the scope of the current proceeding.

If Hydro continues to request final approval of the current interim diesel rates, the Coalition asks that the responses be provided or in the alternative that an opportunity for follow up information requests be provided.

Section:	Tab 10Order 159/04	Page No.:	7(ii) & 7
Topic:	PUB Directives and Interim Orders		
Subtopic:	Directives from Order 134/10		
Issue:	Diesel Settlement Agreement – INAC and Other Governments’ Pre-2004 Obligations		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please confirm that Manitoba Hydro has requested and received from other federal and provincial government customers in the diesel zone (notably Health Canada, the RCMP, and the Province of Manitoba) 10% of the undepreciated capital balance as of March 31, 2004. If not, what is the status of this item?

RATIONALE FOR QUESTION:

To confirm whether INAC (now AANDC) and other government customers have met their obligations under the provisions of the Settlement Agreement regarding the accumulated 2004 deficit and undepreciated capital as of 2004.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

On page 22 of Order 18/15, the PUB approved MKO's intervention with respect to "The finalization of Diesel Rates, provided MKO has provided Manitoba Hydro and Canada with all settlement documents". It is premature and unwarranted for Manitoba Hydro to be responding to this IR as the documents have not yet been produced by MKO.

COALITION RESPONSE:

The response of Hydro puts the Coalition in an awkward position. In the event that MKO files the agreement later in the hearing the Coalition will not have the opportunity to pose follow up information requests.

Hydro does not deny the information is relevant and material.

This IR is relevant with respect to the requested "final" approval of the current interim Diesel Community rates. However, it is agreed that there is no need for MH to respond to the noted IRs if final approval of the current interim rates for Diesel Communities is not part of the scope of the current proceeding.

If Hydro continues to request final approval of the current interim diesel rates, the Coalition asks that the responses be provided or in the alternative that an opportunity for follow up information requests be provided.

Section:	Tab 10 Order 159/04 2012/13 & 2013/14 GRA, Appendix 11.1	Page No.:	7(ii)3
Topic:	PUB Directives and Interim Orders		
Subtopic:	Directives from Order 134/10		
Issue:	Diesel Settlement Agreement – Post-2004 Capital Contributions		

PREAMBLE TO IR (IF ANY):

Appendix 11.1 (page 3) from the 2012/13 & 2013/14 GRA indicated that the Agreement contemplated the funding of capital costs through customer contributions rather than rates.

QUESTION:

Please provide a schedule that sets out, by community and by capital project, the capital spending in each year since 2004 and forecast through to 2016/17.

RATIONALE FOR QUESTION:

To confirm whether INAC (now AANDC) and other government customers have met their obligations under the provisions of the Settlement Agreement regarding the provision of capital contributions to fund post-2004 capital expenditures.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

On page 22 of Order 18/15, the PUB approved MKO's intervention with respect to "The finalization of Diesel Rates, provided MKO has provided Manitoba Hydro and Canada with all settlement documents". It is premature and unwarranted for Manitoba Hydro to be responding to this IR as the documents have not yet been produced by MKO.

COALITION RESPONSE:

The response of Hydro puts the Coalition in an awkward position. In the event that MKO files the agreement later in the hearing the Coalition will not have the opportunity to pose follow up information requests.

Hydro does not deny the information is relevant and material.

This IR is relevant with respect to the requested "final" approval of the current interim Diesel Community rates. However, it is agreed that there is no need for MH to respond to the noted IRs if final approval of the current interim rates for Diesel Communities is not part of the scope of the current proceeding.

If Hydro continues to request final approval of the current interim diesel rates, the Coalition asks that the responses be provided or in the alternative that an opportunity for follow up information requests be provided.

Section:	Tab 10 Order 159/042012/13 & 2013/14 GRA, Appendix 11.1	Page No.:	7(ii)3
Topic:	PUB Directives and Interim Orders		
Subtopic:	Directives from Order 134/10		
Issue:	Diesel Settlement Agreement – Post-2004 Capital Contributions		

PREAMBLE TO IR (IF ANY):

Appendix 11.1 (page 3) from the 2012/13 & 2013/14 GRA indicated that the Agreement contemplated the funding of capital costs through customer contributions rather than rates.

QUESTION:

Please provide a schedule that for each capital project noted in response to part (a) sets out the capital contribution to be made by i) AANDC, ii) Other Federal/Provincial Government Customers and iii) Manitoba Hydro in accordance with the Settlement Agreement. In the same schedule please indicate, for spending up to March 31, 2014, whether these contributions have been received.

RATIONALE FOR QUESTION:

To confirm whether INAC (now AANDC) and other government customers have met their obligations under the provisions of the Settlement Agreement regarding the provision of capital contributions to fund post-2004 capital expenditures.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

On page 22 of Order 18/15, the PUB approved MKO's intervention with respect to "The finalization of Diesel Rates, provided MKO has provided Manitoba Hydro and Canada with all settlement documents". It is premature and unwarranted for Manitoba Hydro to be responding to this IR as the documents have not yet been produced by MKO.

COALITION RESPONSE:

The response of Hydro puts the Coalition in an awkward position. In the event that MKO files the agreement later in the hearing the Coalition will not have the opportunity to pose follow up information requests.

Hydro does not deny the information is relevant and material.

This IR is relevant with respect to the requested "final" approval of the current interim Diesel Community rates. However, it is agreed that there is no need for MH to respond to the noted IRs if final approval of the current interim rates for Diesel Communities is not part of the scope of the current proceeding.

If Hydro continues to request final approval of the current interim diesel rates, the Coalition asks that the responses be provided or in the alternative that an opportunity for follow up information requests be provided.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-78c

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

Appendix 11.1 (page 3) from the 2012/13 & 2013/14 GRA indicated that the Agreement contemplated the funding of capital costs through customer contributions rather than rates.

QUESTION:

In those cases where contributions have not been received as per the Agreement please indicate the status.

RATIONALE FOR QUESTION:

To confirm whether INAC (now AANDC) and other government customers have met their obligations under the provisions of the Settlement Agreement regarding the provision of capital contributions to fund post-2004 capital expenditures.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

On page 22 of Order 18/15, the PUB approved MKO's intervention with respect to "The finalization of Diesel Rates, provided MKO has provided Manitoba Hydro and Canada with all settlement documents". It is premature and unwarranted for Manitoba Hydro to be responding to this IR as the documents have not yet been produced by MKO.

COALITION RESPONSE:

The response of Hydro puts the Coalition in an awkward position. In the event that MKO files the agreement later in the hearing the Coalition will not have the opportunity to pose follow up information requests.

Hydro does not deny the information is relevant and material.

This IR is relevant with respect to the requested "final" approval of the current interim Diesel Community rates. However, it is agreed that there is no need for MH to respond

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COALITION/MH-I-78c

to the noted IRs if final approval of the current interim rates for Diesel Communities is not part of the scope of the current proceeding.

If Hydro continues to request final approval of the current interim diesel rates, the Coalition asks that the responses be provided or in the alternative that an opportunity for follow up information requests be provided.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-79a

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide the actual operating statement for the Diesel Communities for the each of the years for the years from 2004/2005 to 2013/2014. Please do not include notional interest, depreciation and capital taxes that do not accrue as a result of capital contributions.

RATIONALE FOR QUESTION:

To confirm whether, based on the Settlement Agreement, the Manitoba Hydro's operation of the Diesel Communities is now on a financially sound basis.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

On page 22 of Order 18/15, the PUB approved MKO's intervention with respect to "The finalization of Diesel Rates, provided MKO has provided Manitoba Hydro and Canada with all settlement documents". It is premature and unwarranted for Manitoba Hydro to be responding to this IR as the documents have not yet been produced by MKO.

COALITION RESPONSE:

The response of Hydro puts the Coalition in an awkward position. In the event that MKO files the agreement later in the hearing the Coalition will not have the opportunity to pose follow up information requests.

Hydro does not deny the information is relevant and material.

This IR is relevant with respect to the requested "final" approval of the current interim Diesel Community rates. However, it is agreed that there is no need for MH to respond

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COALITION/MH-I-79a

to the noted IRs if final approval of the current interim rates for Diesel Communities is not part of the scope of the current proceeding.

If Hydro continues to request final approval of the current interim diesel rates, the Coalition asks that the responses be provided or in the alternative that an opportunity for follow up information requests be provided.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-79b

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

QUESTION:

Please update or correct the table on Page 9 of Order 1/10 where required.

RATIONALE FOR QUESTION:

To confirm whether, based on the Settlement Agreement, the Manitoba Hydro's operation of the Diesel Communities is now on a financially sound basis.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

On page 22 of Order 18/15, the PUB approved MKO's intervention with respect to "The finalization of Diesel Rates, provided MKO has provided Manitoba Hydro and Canada with all settlement documents". It is premature and unwarranted for Manitoba Hydro to be responding to this IR as the documents have not yet been produced by MKO.

COALITION RESPONSE:

The response of Hydro puts the Coalition in an awkward position. In the event that MKO files the agreement later in the hearing the Coalition will not have the opportunity to pose follow up information requests.

Hydro does not deny the information is relevant and material.

This IR is relevant with respect to the requested "final" approval of the current interim Diesel Community rates. However, it is agreed that there is no need for MH to respond to the noted IRs if final approval of the current interim rates for Diesel Communities is not part of the scope of the current proceeding.

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COALITION/MH-I-79b

If Hydro continues to request final approval of the current interim diesel rates, the Coalition asks that the responses be provided or in the alternative that an opportunity for follow up information requests be provided.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-79c

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

QUESTION:

Please update the table provided in response to PUB/MH 9 c) from the 2010 Diesel Application proceeding to include actuals up to March 31, 2014.

RATIONALE FOR QUESTION:

To confirm whether, based on the Settlement Agreement, the Manitoba Hydro's operation of the Diesel Communities is now on a financially sound basis.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

On page 22 of Order 18/15, the PUB approved MKO's intervention with respect to "The finalization of Diesel Rates, provided MKO has provided Manitoba Hydro and Canada with all settlement documents". It is premature and unwarranted for Manitoba Hydro to be responding to this IR as the documents have not yet been produced by MKO.

COALITION RESPONSE:

The response of Hydro puts the Coalition in an awkward position. In the event that MKO files the agreement later in the hearing the Coalition will not have the opportunity to pose follow up information requests.

Hydro does not deny the information is relevant and material.

This IR is relevant with respect to the requested "final" approval of the current interim Diesel Community rates. However, it is agreed that there is no need for MH to respond to the noted IRs if final approval of the current interim rates for Diesel Communities is not part of the scope of the current proceeding.

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COALITION/MH-I-79c

If Hydro continues to request final approval of the current interim diesel rates, the Coalition asks that the responses be provided or in the alternative that an opportunity for follow up information requests be provided.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-80a

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

The response to CAC/MH I-8 a) indicated that a DCOSS based on the 2013/14 forecast year would be developed and incorporate actual results for the years 2011/12 and 2012/13.

QUESTION:

Please provide a copy the referenced DCOSS for the 2013/14 forecast year.

RATIONALE FOR QUESTION:

To understand the recent financial performance of Manitoba Hydro's operation of the Diesel Communities.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

As found at page 22, in Order 18/15, it is premature to review matters associated with the allocation of net export revenues and/or the Diesel Cost of Service Study, as part of this proceeding as Manitoba Hydro is to file its cost of service study with the PUB later this year.

COALITION RESPONSE:

The interim Diesel rates for which MH is seeking final approval are underpinned by the "Settlement Agreement" which was meant to establish a new financial paradigm for the operation of Diesel communities that would deal with historic deficits and receivables and allowed for future costs to be recovered through a combination of rates and capital contributions.

It is therefore legitimate, prior to finalizing the interim rates, to test whether these objectives are being met, i.e. is the Diesel Communities' operation financially self-supporting under this new paradigm?

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-80a

The DCOSS provides such information and it is for this purpose (and not for purposes of question the COSS methodology itself) that the most recent DCOSS was requested.

Indeed, if it were to lessen MH concern the response to this interrogatory could focus on providing those schedules in the most recent DCOSS that demonstrate whether or not the operation of the Diesel Communities is current financially self-sufficient under the terms of the Settlement Agreement.

The Coalition is prepared to limit its request to schedules in the most recent DCOSS that demonstrate whether or not the operation of the Diesel Communities is current financially self-sufficient under the terms of the Settlement Agreement.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-80b

Section:	Tab 102012/13 & 2013/14 GRA, CAC/MH I-8 a)	Page No.:	7
Topic:	PUB Directives and Interim Orders		
Subtopic:	Directives from Order 134/10		
Issue:	Diesel Settlement Agreement – Recent DCOSS		

PREAMBLE TO IR (IF ANY):

The response to CAC/MH I-8 a) indicated that a DCOSS based on the 2013/14 forecast year would be developed and incorporate actual results for the years 2011/12 and 2012/13.

QUESTION:

If a more recent DCOSS has been completed please provide a copy.

RATIONALE FOR QUESTION:

To understand the recent financial performance of Manitoba Hydro's operation of the Diesel Communities.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

As found at page 22, in Order 18/15, it is premature to review matters associated with the allocation of net export revenues and/or the Diesel Cost of Service Study, as part of this proceeding as Manitoba Hydro is to file its cost of service study with the PUB later this year.

COALITION RESPONSE:

The interim Diesel rates for which MH is seeking final approval are underpinned by the "Settlement Agreement" which was meant to establish a new financial paradigm for the operation of Diesel communities that would deal with historic deficits and receivables and allowed for future costs to be recovered through a combination of rates and capital contributions.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-80b

It is therefore legitimate, prior to finalizing the interim rates, to test whether these objectives are being met, i.e, is the Diesel Communities' operation financially self-supporting under this new paradigm?

The DCOSS provides such information and it is for this purpose (and not for purposes of question the COSS methodology itself) that the most recent DCOSS was requested.

Indeed, if it were to lessen MH concern the response to this interrogatory could focus on providing those schedules in the most recent DCOSS that demonstrate whether or not the operation of the Diesel Communities is current financially self-sufficient under the terms of the Settlement Agreement.

The Coalition is prepared to limit its request to schedules in the most recent DCOSS that demonstrate whether or not the operation of the Diesel Communities is current financially self-sufficient under the terms of the Settlement Agreement.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-81a

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

A Capital Project Justification is initiated when a capital project is identified as it is stated on page 2 of 26 tab 4. The CPJ contains information that identify the needs for the project. Furthermore; CPJs are examined to confirm the need based on a number of criteria. In addition, Manitoba Hydro assesses the proposed projects and whether projects of lesser priority can be displaced.

QUESTION:

Please provide supporting CPJ documentation justifying all new projects included in the CEF 2014.

RATIONALE FOR QUESTION:

Confirm the prudence and reasonableness of the new projects included in the CEF 2014 and test whether cost effective prioritization is taking place. Does not duplicate PUB/Hydro 1-17 – 1-26.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro understands that the PUB's Rules of Practice and Procedure, and its practice, is to look at the relevance of the information sought, the significance, and the reasonableness of the request when the PUB considers its discretion of permitting IRs. Manitoba Hydro seeks the PUB's direction with respect to the reasonableness, relevance, significance and value that this IR would provide to the PUB in making its determinations, in light of the total number of IRs and the significant amount of time and effort that Manitoba Hydro would have to spend in responding to this IR.

COALITION RESPONSE:

Hydro's lack of specificity is not consistent with the Board's intent with regard to justifying refusals of information requests.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-81a

Hydro's allegation that the filing of Capital Program Justifications which already have been prepared would incur a significant amount of time and effort is not credible on its face.

In prior General Rate Applications, this Board has found that substantial insight into the prudence and mechanism of hydro capital expenditures has been garnered by a review of Capital Program Justifications relating to expenditures such as BP3.

Given Hydro's concern about pressure on its financial targets relating to capital expenditures, it is legitimate and necessary to ask it to demonstrate that it is showing appropriate care in developing its capital programs.

We ask that the question be answered as posed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-82

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide, in electronic format with all formulae intact, the file or files used to produce Figure 4.3 and Figure 4.4.

RATIONALE FOR QUESTION:

Test analysis of change in cost flow.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-82

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Hydro's response is generic and does not address the specific information requested.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

Overall, the various general objections made by MH to several questions looking for models or data is vague and does not tie exact objection(s) to a specific request. This approach is counterproductive, and does not help us narrow areas of dispute. The objections that certain spreadsheets can't be produced because of meta-data is simply specious.

The MH solution is to deliberately convert the spreadsheets from functioning files into a far less useful format:

In these situations, in order to remove the metadata, the file must be converted to an Adobe Acrobat portable document format (pdf) file. This is an electronic file format that is an open standard which is readable by many different operating systems, does not require specific software to read and allows all parties to access filed information.

The conversion process to pdf will remove any formulas from the spreadsheets, rendering them useless from an analytical perspective. If MH decides to manually scan the pdfs or add a watermark to the sheets, it will be almost impossible electronically copy data into Excel files.

That means data would have to be manually entered, a time consuming in order to be useful, cumbersome and entirely unnecessary process since MH already maintains the data in functioning spreadsheets.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-82

Position of the Coalition

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

In the alternative, we ask that Hydro be required to:

(1) State in writing which exact IRs it:

(a) will not answer with specifics for the reason why;

(b) desires to answer but will provide a model or database in pdf format instead of a machine readable electronic format, including an identification of the electronic format for the original model or data and why a pdf is the appropriate media for production;

(c) will not answer since the material requested is claimed to be protected intellectual property, and why a non-disclosure agreement would be insufficient to protect the intellectual property of any third party software vendor.

(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

(3) In all relevant cases, provide spreadsheets in fully functioning Excel format with all formulas intact, cells enabled and data linked. If spreadsheets have any metadata removed, including staff notes, MH should create a privilege log that identifies the information, the author, the effect on formulas or data from the removal of metadata and the claimed privilege entitling the MH to remove the information.

We offer these accommodations as way to move the process along given the tight time frames in the case, rather than as a substitute for the questions as originally asked. Not having the models, but instead just a description, may dilute our ability to understand the capital planning and project selection process of MH.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-83a

Section:	Tab 4
Topic:	Capital Expenditure Forecast
Subtopic:	Change in Cost Flow from CEF 2013 to CEF 2014
Issue:	Information related to figure 4.5

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide, in electronic format:

The updated figure to include the Major New Generation & Transmission expenditures forecast for 2012/2013 and 2013/2014 next to the actual expenditures.

RATIONALE FOR QUESTION:

Compare Forecast with actual expenditures for 2012/2013 and 2013/2014.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-83a

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Hydro's response is generic and does not address the specific information requested.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

Overall, the various general objections made by MH to several questions looking for models or data is vague and does not tie exact objection(s) to a specific request. This approach is counterproductive, and does not help us narrow areas of dispute. The objections that certain spreadsheets can't be produced because of meta-data is simply specious.

The MH solution is to deliberately convert the spreadsheets from functioning files into a far less useful format:

In these situations, in order to remove the metadata, the file must be converted to an Adobe Acrobat portable document format (pdf) file. This is an electronic file format that is an open standard which is readable by many different operating systems, does not require specific software to read and allows all parties to access filed information.

The conversion process to pdf will remove any formulas from the spreadsheets, rendering them useless from an analytical perspective. If MH decides to manually scan the pdfs or add a watermark to the sheets, it will be almost impossible electronically copy data into Excel files.

That means data would have to be manually entered, a time consuming in order to be useful, cumbersome and entirely unnecessary process since MH already maintains the data in functioning spreadsheets.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-83a

Position of the Coalition

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

In the alternative, we ask that Hydro be required to:

(1) State in writing which exact IRs it:

(a) will not answer with specifics for the reason why;

(b) desires to answer but will provide a model or database in pdf format instead of a machine readable electronic format, including an identification of the electronic format for the original model or data and why a pdf is the appropriate media for production;

(c) will not answer since the material requested is claimed to be protected intellectual property, and why a non-disclosure agreement would be insufficient to protect the intellectual property of any third party software vendor.

(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

(3) In all relevant cases, provide spreadsheets in fully functioning Excel format with all formulas intact, cells enabled and data linked. If spreadsheets have any metadata removed, including staff notes, MH should create a privilege log that identifies the information, the author, the effect on formulas or data from the removal of metadata and the claimed privilege entitling the MH to remove the information.

We offer these accommodations as way to move the process along given the tight time frames in the case, rather than as a substitute for the questions as originally asked. Not having the models, but instead just a description, may dilute our ability to understand the capital planning and project selection process of MH.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-83b

Section:	Tab 4	Page No.:	p. 6 of 26
Topic:			
Subtopic:	Change in Cost Flow from CEF 2013 to CEF 2014		
Issue:	Information related to figure 4.5		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide, in electronic format:

The data file or files used to produce Figure 4.5.

RATIONALE FOR QUESTION:

Compare Forecast with actual expenditures for 2012/2013 and 2013/2014.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-83b

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COALITION RESPONSE:

Hydro's response is generic and does not address the specific information requested.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-83b

Position of the Coalition

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In the alternative, we ask that Hydro be required to:

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(a) will not answer with specifics for the reason why;

(b) desires to answer but will provide a model or database in pdf format instead of a machine readable electronic format, including an identification of the electronic format for the original model or data and why a pdf is the appropriate media for production;

(c) will not answer since the material requested is claimed to be protected intellectual property, and why a non-disclosure agreement would be insufficient to protect the intellectual property of any third party software vendor.

(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-84a

Section:	4	Page No.:	p. 7 of 26
Topic:	Capital Expenditure Forecast		
Subtopic:	Major New Generation & Transmission Capital Expenditure Forecast		
Issue:	Information related to figure 4.6		

PREAMBLE TO IR (IF ANY):

Figure 4.6 denotes the major new generation & transmission expenditures forecast CEF 2014. The questions below request information related to that figure.

QUESTION:

Please provide, in electronic format with all formulae intact, the data file or files used to produce Figure 4.6

RATIONALE FOR QUESTION:

Clarify calculation “target adjustment” line item.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation’s models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-84a

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COALITION RESPONSE:

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Prejudice to the Coalition

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-84a

Position of the Coalition

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-84c

Section:	4	Page No.:	p. 7 of 26
Topic:	Capital Expenditure Forecast		
Subtopic:	Major New Generation & Transmission Capital Expenditure Forecast		
Issue:	Information related to figure 4.6		

PREAMBLE TO IR (IF ANY):

Figure 4.6 denotes the major new generation & transmission expenditures forecast CEF 2014. The questions below request information related to that figure.

QUESTION:

Please explain how the costs are progressing each year starting from 2014/2015 for each line item. Provide your answer in electronic format with all formulae intact.

RATIONALE FOR QUESTION:

Clarify calculation “target adjustment” line item.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation’s models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-84c

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COALITION RESPONSE:

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Prejudice to the Coalition

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-84c

Position of the Coalition

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85b

Section:	4
Topic:	Capital Expenditure Forecast
Subtopic:	Sustaining Capital Expenditures (Major & Base Capital)
Issue:	Information related to figures 4.11 and 4.12

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide, in electronic format:

The data file or files used to produce Figure 4.11 with the formulae intact

RATIONALE FOR QUESTION:

Compare Forecast with actual expenditures for 2012/2013 and 2013/2014 and provide context for increased expenditure.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85b

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COALITION RESPONSE:

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Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85b

Position of the Coalition

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85c

Section:	4
Topic:	Capital Expenditure Forecast
Subtopic:	Sustaining Capital Expenditures (Major & Base Capital)
Issue:	Information related to figures 4.11 and 4.12

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide, in electronic format:

The data file or files used to produce Figure 4.12 with the formulae intact

RATIONALE FOR QUESTION:

Compare Forecast with actual expenditures for 2012/2013 and 2013/2014 and provide context for increased expenditure.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85c

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COALITION RESPONSE:

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Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85c

Position of the Coalition

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85d

Section:	4
Topic:	Capital Expenditure Forecast
Subtopic:	Sustaining Capital Expenditures (Major & Base Capital)
Issue:	Information related to figures 4.11 and 4.12

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide, in electronic format:

For Figure 4.12, please provide the file or files with the formulae intact that describe how the cost is calculated for each asset type.

RATIONALE FOR QUESTION:

Compare Forecast with actual expenditures for 2012/2013 and 2013/2014 and provide context for increased expenditure.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85d

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Prejudice to the Coalition

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The conversion process to pdf will remove any formulas from the spreadsheets, rendering them useless from an analytical perspective. If MH decides to manually scan the pdfs or add a watermark to the sheets, it will be almost impossible electronically copy data into Excel files.

That means data would have to be manually entered, a time consuming in order to be useful, cumbersome and entirely unnecessary process since MH already maintains the data in functioning spreadsheets.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85d

Position of the Coalition

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

In the alternative, we ask that Hydro be required to:

(1) State in writing which exact IRs it:

(a) will not answer with specifics for the reason why;

(b) desires to answer but will provide a model or database in pdf format instead of a machine readable electronic format, including an identification of the electronic format for the original model or data and why a pdf is the appropriate media for production;

(c) will not answer since the material requested is claimed to be protected intellectual property, and why a non-disclosure agreement would be insufficient to protect the intellectual property of any third party software vendor.

(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

(3) In all relevant cases, provide spreadsheets in fully functioning Excel format with all formulas intact, cells enabled and data linked. If spreadsheets have any metadata removed, including staff notes, MH should create a privilege log that identifies the information, the author, the effect on formulas or data from the removal of metadata and the claimed privilege entitling the MH to remove the information.

We offer these accommodations as way to move the process along given the tight time frames in the case, rather than as a substitute for the questions as originally asked. Not having the models, but instead just a description, may dilute our ability to understand the capital planning and project selection process of MH.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85e

Section:	4
Topic:	Capital Expenditure Forecast
Subtopic:	Sustaining Capital Expenditures (Major & Base Cap
Issue:	Information related to figures 4.11 and 4.12

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide, in electronic format:

Please update figure 4.12 to include the 2008 to 2014 and 2018 to 2024 time periods.

RATIONALE FOR QUESTION:

Compare Forecast with actual expenditures for 2012/2013 and 2013/2014 and provide context for increased expenditure.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information presented in Figure 4.12 was specifically developed for this application to be consistent with Manitoba Hydro's Asset Condition Assessment report. This information is not available in this format for previous years' actual results or previous CEFs.

COALITION RESPONSE:

Manitoba Hydro does not deny the information sought is material and relevant. Hydro does not seek to offer an alternative mechanism or format for providing a substantive response consistent with the spirit of the inquiry. Manitoba Hydro is refusing to provide a meaningful response to the substance of a question that is material and relevant.

The Coalition would ask that Hydro be directed to provide a substantive response aimed at responding to the spirit of a material and relevant inquiry.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85f

Section:	4
Topic:	Capital Expenditure Forecast
Subtopic:	Sustaining Capital Expenditures (Major & Base Capital)
Issue:	Information related to figures 4.11 and 4.12

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide, in electronic format:

Please provide a similar breakdown with the actual expenditures for 2014 and 2013

RATIONALE FOR QUESTION:

Compare Forecast with actual expenditures for 2012/2013 and 2013/2014 and provide context for increased expenditure.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85f

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Hydro's response is generic and does not address the specific information requested.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

Overall, the various general objections made by MH to several questions looking for models or data is vague and does not tie exact objection(s) to a specific request. This approach is counterproductive, and does not help us narrow areas of dispute. The objections that certain spreadsheets can't be produced because of meta-data is simply specious.

The MH solution is to deliberately convert the spreadsheets from functioning files into a far less useful format:

In these situations, in order to remove the metadata, the file must be converted to an Adobe Acrobat portable document format (pdf) file. This is an electronic file format that is an open standard which is readable by many different operating systems, does not require specific software to read and allows all parties to access filed information.

The conversion process to pdf will remove any formulas from the spreadsheets, rendering them useless from an analytical perspective. If MH decides to manually scan the pdfs or add a watermark to the sheets, it will be almost impossible electronically copy data into Excel files.

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85f

Position of the Coalition

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

In the alternative, we ask that Hydro be required to:

(1) State in writing which exact IRs it:

(a) will not answer with specifics for the reason why;

(b) desires to answer but will provide a model or database in pdf format instead of a machine readable electronic format, including an identification of the electronic format for the original model or data and why a pdf is the appropriate media for production;

(c) will not answer since the material requested is claimed to be protected intellectual property, and why a non-disclosure agreement would be insufficient to protect the intellectual property of any third party software vendor.

(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

(3) In all relevant cases, provide spreadsheets in fully functioning Excel format with all formulas intact, cells enabled and data linked. If spreadsheets have any metadata removed, including staff notes, MH should create a privilege log that identifies the information, the author, the effect on formulas or data from the removal of metadata and the claimed privilege entitling the MH to remove the information.

We offer these accommodations as way to move the process along given the tight time frames in the case, rather than as a substitute for the questions as originally asked. Not having the models, but instead just a description, may dilute our ability to understand the capital planning and project selection process of MH.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85g

Section:	4	Page No.:	pp. 11&12 of 26
Topic:	Capital Expenditure Forecast		
Subtopic:	Sustaining Capital Expenditures (Major & Base Capital)		
Issue:	Information related to figures 4.11 and 4.12		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide, in electronic format:

For Figure 4.12, please identify the major, base capital expenditures and reconcile against CEF14 totals.

RATIONALE FOR QUESTION:

Compare Forecast with actual expenditures for 2012/2013 and 2013/2014 and provide context for increased expenditure.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85g

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Hydro's response is generic and does not address the specific information requested.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-85g

Position of the Coalition

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-86a

Section:	Tab 4	Page No.:	p. 19 of 26
Topic:	Capital Expenditure Forecast		
Subtopic:	Manitoba Hydro Current and 20 year outlook Asset Health Index		
Issue:	Update figure 4.17 for short term horizon		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please update figure 4.17 to include the 2014/15, 2015/16 and 2016/17 Manitoba Hydro AHI outlook and provide the supporting data file or files, in electronic format with all formulae intact.

RATIONALE FOR QUESTION:

Assess how AHI develops in the short term and reasonableness of capital prioritization.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-86a

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COALITION RESPONSE:

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Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-86a

Position of the Coalition

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-87a

Section:	Tab 4	Page No.:	p. 17 of 26
Topic:	Capital Expenditure Forecast		
Subtopic:	Manitoba Hydro SAIDI and SAIFI Indicators		
Issue:	System performance measures and sustaining capital expenditures		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide Figure 4.16 in fully functioning electronic spreadsheet format with all supporting data.

RATIONALE FOR QUESTION:

Assess how AHI develops in the short term and the reasonableness of prioritization.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-87a

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COALITION RESPONSE:

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Prejudice to the Coalition

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Hydro's proposed alternative is expensive and obstructive to good regulatory review

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Position of the Coalition

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-87a

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-88a

Section:	Tab 4	Page No.:	p. 20 of 26
Topic:	Capital Expenditure Forecast		
Subtopic:	Asset Type Expectancy and Turnover at Current Replacement Rates		
Issue:	Confirm Manitoba Hydro's claim related to current replacement rates		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide, in electronic format with all formulae intact, the file or files used to produce Figure 4.18

RATIONALE FOR QUESTION:

Test Manitoba Hydro's claim of high turnover under current replacement rate.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-88a

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Hydro's response is generic and does not address the specific information requested.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

Overall, the various general objections made by MH to several questions looking for models or data is vague and does not tie exact objection(s) to a specific request. This approach is counterproductive, and does not help us narrow areas of dispute. The objections that certain spreadsheets can't be produced because of meta-data is simply specious.

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In these situations, in order to remove the metadata, the file must be converted to an Adobe Acrobat portable document format (pdf) file. This is an electronic file format that is an open standard which is readable by many different operating systems, does not require specific software to read and allows all parties to access filed information.

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Position of the Coalition

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-88a

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

In the alternative, we ask that Hydro be required to:

(1) State in writing which exact IRs it:

(a) will not answer with specifics for the reason why;

(b) desires to answer but will provide a model or database in pdf format instead of a machine readable electronic format, including an identification of the electronic format for the original model or data and why a pdf is the appropriate media for production;

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(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

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Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-89b

Section:	Tab 4 Appendix 4.1	Page No.:	p. 22 of 26
Topic:	Capital Expenditure Forecast		
Subtopic:	Manitoba Hydro Current and 20 year outlook Asset Health Index		
Issue:	Replacement rates accounted for the 20 year outlook		

PREAMBLE TO IR (IF ANY):

QUESTION:

Update figure 4.19 by using current replacement rates and provide the result in an electronic format file with the formulae intact.

RATIONALE FOR QUESTION:

Manitoba Hydro Outlook Figure 4.19 denotes a no replacement scenario and not a current replacement rate scenario.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-89b

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Hydro's response is generic and does not address the specific information requested.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

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Position of the Coalition

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-89b

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

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(1) State in writing which exact IRs it:

(a) will not answer with specifics for the reason why;

(b) desires to answer but will provide a model or database in pdf format instead of a machine readable electronic format, including an identification of the electronic format for the original model or data and why a pdf is the appropriate media for production;

(c) will not answer since the material requested is claimed to be protected intellectual property, and why a non-disclosure agreement would be insufficient to protect the intellectual property of any third party software vendor.

(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

(3) In all relevant cases, provide spreadsheets in fully functioning Excel format with all formulas intact, cells enabled and data linked. If spreadsheets have any metadata removed, including staff notes, MH should create a privilege log that identifies the information, the author, the effect on formulas or data from the removal of metadata and the claimed privilege entitling the MH to remove the information.

We offer these accommodations as way to move the process along given the tight time frames in the case, rather than as a substitute for the questions as originally asked. Not having the models, but instead just a description, may dilute our ability to understand the capital planning and project selection process of MH.

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COALITION/MH-I-90

Section:	Tab 4 Appendix 4.1	Page No.:	CEF 14 p. 2
Topic:	Capital Expenditure Forecast		
Subtopic:	Capital Expenditure Forecast CEF 14		
Issue:	Assess cash flow of Capital Expenditure Forecast CEF 14		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide, in electronic format with all formulae intact, the file or files used to produce the Capital Expenditure Forecast CEF 14 starting on page 2 and ending on page 8.

RATIONALE FOR QUESTION:

Supporting documentation for CEF 14.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-90

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Hydro's response is generic and does not address the specific information requested.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

Overall, the various general objections made by MH to several questions looking for models or data is vague and does not tie exact objection(s) to a specific request. This approach is counterproductive, and does not help us narrow areas of dispute. The objections that certain spreadsheets can't be produced because of meta-data is simply specious.

The MH solution is to deliberately convert the spreadsheets from functioning files into a far less useful format:

In these situations, in order to remove the metadata, the file must be converted to an Adobe Acrobat portable document format (pdf) file. This is an electronic file format that is an open standard which is readable by many different operating systems, does not require specific software to read and allows all parties to access filed information.

The conversion process to pdf will remove any formulas from the spreadsheets, rendering them useless from an analytical perspective. If MH decides to manually scan the pdfs or add a watermark to the sheets, it will be almost impossible electronically copy data into Excel files.

That means data would have to be manually entered, a time consuming in order to be useful, cumbersome and entirely unnecessary process since MH already maintains the data in functioning spreadsheets.

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COALITION/MH-I-90

Position of the Coalition

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

In the alternative, we ask that Hydro be required to:

(1) State in writing which exact IRs it:

(a) will not answer with specifics for the reason why;

(b) desires to answer but will provide a model or database in pdf format instead of a machine readable electronic format, including an identification of the electronic format for the original model or data and why a pdf is the appropriate media for production;

(c) will not answer since the material requested is claimed to be protected intellectual property, and why a non-disclosure agreement would be insufficient to protect the intellectual property of any third party software vendor.

(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

(3) In all relevant cases, provide spreadsheets in fully functioning Excel format with all formulas intact, cells enabled and data linked. If spreadsheets have any metadata removed, including staff notes, MH should create a privilege log that identifies the information, the author, the effect on formulas or data from the removal of metadata and the claimed privilege entitling the MH to remove the information.

We offer these accommodations as way to move the process along given the tight time frames in the case, rather than as a substitute for the questions as originally asked. Not having the models, but instead just a description, may dilute our ability to understand the capital planning and project selection process of MH.

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COALITION/MH-I-91ai-vi

Section:	Tab 4 Appendix 4.1	Page No.:	pp. 29-33
Topic:	Capital Expenditure Forecast		
Subtopic:	Base Capital – Electric Operations		
Issue:	Assess Manitoba Hydro’s Target escalation		

PREAMBLE TO IR (IF ANY):

The generation, operations, transmission, customer service & distribution, customer care & energy conservation, Human Resource & corporate services and Finance & Regulatory sections of the electric operations include major and base target cash flows.

QUESTION:

Please provide, in electronic format with all formulae intact, the data file or files used to produce the target cash flows for the following electric operations:

- i. Generation that include major and base
- ii. Transmission
- iii. Customer Service and Distribution
- iv. Customer Care & Energy Conservation
- v. Human Resources & corporate Services
- vi. Finance and Regulatory
- vii. Please explain why the 2% escalation was chosen.

RATIONALE FOR QUESTION:

Assess Manitoba Hydro’s Target escalation.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes

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COALITION/MH-I-91ai-vi

working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Hydro's response is generic and does not address the specific information requested.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

Overall, the various general objections made by MH to several questions looking for models or data is vague and does not tie exact objection(s) to a specific request. This approach is counterproductive, and does not help us narrow areas of dispute. The objections that certain spreadsheets can't be produced because of meta-data is simply specious.

The MH solution is to deliberately convert the spreadsheets from functioning files into a far less useful format:

In these situations, in order to remove the metadata, the file must be converted to an Adobe Acrobat portable document format (pdf) file. This is an electronic file format that is an open standard which is readable by many different operating systems, does not require specific software to read and allows all parties to access filed information.

The conversion process to pdf will remove any formulas from the spreadsheets, rendering them useless from an analytical perspective. If MH decides to manually scan the pdfs or add a watermark to the sheets, it will be almost impossible electronically copy data into Excel files.

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COALITION/MH-I-91ai-vi

That means data would have to be manually entered, a time consuming in order to be useful, cumbersome and entirely unnecessary process since MH already maintains the data in functioning spreadsheets.

Position of the Coalition

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

In the alternative, we ask that Hydro be required to:

(1) State in writing which exact IRs it:

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COALITION/MH-I-92

Section:	Tab 4 Appendix 4.2	Page No.:	p. 3
Topic:	Capital Expenditure Forecast		
Subtopic:	Electric Infrastructure Condition Assessment Summary		
Issue:	Assets' Consequence of failure		

PREAMBLE TO IR (IF ANY):

The executive summary of the Electric Infrastructure Condition Assessment Summary report includes the following:

“In-service failures generally represent a greater risk of customer outages and/or load shedding and are a potential hazard to individuals working in and around these assets as well to public safety.”

QUESTION:

Please describe how Manitoba Hydro incorporated into its risk management process the consequence caused by a failed asset in the Manitoba electric system. Include in your response a complete list of the consequence factors considered, the relative weight of each, copies of the criteria used for a manual scoring system (if any) and a fully functioning electronic copy of any software driven scoring system used (if any).

RATIONALE FOR QUESTION:

Evaluate whether Manitoba Hydro capital expenditure methodology included the consequence of failure of an asset.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be

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disclosed for confidentiality or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Hydro's response is generic and does not address the specific information requested.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

Overall, the various general objections made by MH to several questions looking for models or data is vague and does not tie exact objection(s) to a specific request. This approach is counterproductive, and does not help us narrow areas of dispute. The objections that certain spreadsheets can't be produced because of meta-data is simply specious.

The MH solution is to deliberately convert the spreadsheets from functioning files into a far less useful format:

In these situations, in order to remove the metadata, the file must be converted to an Adobe Acrobat portable document format (pdf) file. This is an electronic file format that is an open standard which is readable by many different operating systems, does not require specific software to read and allows all parties to access filed information.

The conversion process to pdf will remove any formulas from the spreadsheets, rendering them useless from an analytical perspective. If MH decides to manually scan the pdfs or add a watermark to the sheets, it will be almost impossible electronically copy data into Excel files.

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That means data would have to be manually entered, a time consuming in order to be useful, cumbersome and entirely unnecessary process since MH already maintains the data in functioning spreadsheets.

Position of the Coalition

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

In the alternative, we ask that Hydro be required to:

(1) State in writing which exact IRs it:

(a) will not answer with specifics for the reason why;

(b) desires to answer but will provide a model or database in pdf format instead of a machine readable electronic format, including an identification of the electronic format for the original model or data and why a pdf is the appropriate media for production;

(c) will not answer since the material requested is claimed to be protected intellectual property, and why a non-disclosure agreement would be insufficient to protect the intellectual property of any third party software vendor.

(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

(3) In all relevant cases, provide spreadsheets in fully functioning Excel format with all formulas intact, cells enabled and data linked. If spreadsheets have any metadata removed, including staff notes, MH should create a privilege log that identifies the information, the author, the effect on formulas or data from the removal of metadata and the claimed privilege entitling the MH to remove the information.

We offer these accommodations as way to move the process along given the tight time frames in the case, rather than as a substitute for the questions as originally asked. Not having the models, but instead just a description, may dilute our ability to understand the capital planning and project selection process of MH.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-93b

Section:	Tab 4 Appendix 4.2
Topic:	Capital Expenditure Forecast
Subtopic:	Objectives of the Electric Asset Health Index Summary F
Issue:	Describe Manitoba Hydro's risk management process

PREAMBLE TO IR (IF ANY):

The Objectives of the Electric AHI Summary Report section includes the following:
“Asset condition is an important input into the risk management process and the prioritization of capital funding....” See also Coalition 1-11.

QUESTION:

Identify, describe and provide and fully functioning copy of any risk assessment models utilized in electronic format with the formulae intact and explain in complete detail how these model(s) are used to select and prioritize sustaining capital expenditures.

RATIONALE FOR QUESTION:

Review Manitoba Hydro's risk assessment process as it relates to a significant cost driver. Seeks more specifics than Coalition/MH 1-11.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

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COALITION/MH-I-93b

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Information request Coalition/MH 1-93 is a central information request relating to capital asset prioritization.

Hydro's response is generic and does not address the specific information requested. We note that Hydro's objections are inconsistent with its own recent actions in a concurrent proceeding and with well accepted regulatory practice elsewhere.

The objections that certain spreadsheets cannot be produced because of meta-data is simply specious.

Hydro's response threatens to materially impair a critical element of the Coalition analysis and to substantially increase associated costs.

One of the most important parts of the capital expenditure forecast is the forecast model itself and how the company utilizes it to predict capital expenditures in the future. We understand that some of these capex forecast models are large and may require some effort from the company to be provided, but the proposed capex has increased significantly in comparison with prior years. A thorough review of the model that dictates the potential expenditures is necessary.

Hydro's provided access to key models in the LWR proceeding

While Hydro claims its past practice is not to provide this type of detail, it is noteworthy that in the current Lake Winnipeg Regulation proceeding, Manitoba Hydro provided access to two Excel spreadsheet models to the CEC appointed expert:

- a water balance model for Lake Winnipeg (the Lake Winnipeg Routing Model) and a downstream Nelson River routing model (the Nelson River Routing Model).
Manitoba Hydro

Our understanding is that Hydro provided a half-day workshop on the models and provided copies of the model for review and testing. (LAKE WINNIPEG REGULATION, Review of Hydrologic and Operational Models, George F. McMahon, p. 2-1 and 2-2)

Hydro's proposal is inconsistent with good industry practice related to capital asset expenditure review

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-93b

We also note that Manitoba Hydro's approach to the sharing of models is inconsistent with the approach in other regulator proceedings. For example:

- Nova Scotia Power, Docket # M06514 (2014):

Nova Scotia Power utilizes an economic analysis model (“EAM”) to decide whether an economically justified capital project is the best option for customers by assessing a number of variable inputs. The EAM results are provided in the public version of the case filing while the actual model (in electronic format with the formulae intact) is provided for review after a confidentiality agreement is executed.

- Duke Energy Indiana, Cause No. 44526 (2014)

Duke Energy Indiana uses a risk assessment model prepared by Black & Veatch (a third party vendor) to identify investments needed for the replacement of Transmission and Distribution infrastructure for its Transmission, Distribution, and Storage System Improvement Charges 7-year plan. After executing a non-disclosure agreement, an opportunity was provided to conduct a technical session with Black & Veatch to explore the spreadsheet model and follow-up discovery about the model was answered.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's refusal to provide electronic copies of models and data may prevent our consultants from gaining a timely understanding of the software driven aspects of its asset capital asset management program.

In the best case scenario, the refusal will substantially increases our modeling and analysis work.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

Overall, the various general objections made by MH to several questions looking for models or data is vague and does not tie exact objection(s) to a specific request. This approach is counterproductive, and does not help us narrow areas of dispute. The objections that certain spreadsheets can't be produced because of meta-data is simply specious.

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COALITION/MH-I-93b

The MH solution is to deliberately convert the spreadsheets from functioning files into a far less useful format:

In these situations, in order to remove the metadata, the file must be converted to an Adobe Acrobat portable document format (pdf) file. This is an electronic file format that is an open standard which is readable by many different operating systems, does not require specific software to read and allows all parties to access filed information.

The conversion process to pdf will remove any formulas from the spreadsheets, rendering them useless from an analytical perspective. If MH decides to manually scan the pdfs or add a watermark to the sheets, it will be almost impossible electronically copy data into Excel files.

That means data would have to be manually entered, a time consuming in order to be useful, cumbersome and entirely unnecessary process since MH already maintains the data in functioning spreadsheets.

Position of the Coalition

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

In the alternative, we ask that Hydro be required to:

(1) State in writing which exact IRs it:

(a) will not answer with specifics for the reason why;

(b) desires to answer but will provide a model or database in pdf format instead of a machine readable electronic format, including an identification of the electronic format for the original model or data and why a pdf is the appropriate media for production;

(c) will not answer since the material requested is claimed to be protected intellectual property, and why a non-disclosure agreement would be insufficient to protect the intellectual property of any third party software vendor.

(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

(3) In all relevant cases, provide spreadsheets in fully functioning Excel format with all formulas intact, cells enabled and data linked. If spreadsheets have any metadata removed, including staff notes, MH should create a privilege log that identifies the information, the author, the

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COALITION/MH-I-93b

effect on formulas or data from the removal of metadata and the claimed
privilege entitling the MH to remove the information.

We offer these accommodations as way to move the process along given the tight
time frames in the case, rather than as a substitute for the questions as originally
asked. Not having the models, but instead just a description, may dilute our
ability to understand the capital planning and project selection process of MH.

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COALITION/MH-I-93c

Section:	Tab 4 Appendix 4.2	Page No.:	p. 7
Topic:	Capital Expenditure Forecast		
Subtopic:	Objectives of the Electric Asset Health Index Summary Report		
Issue:	Describe Manitoba Hydro's risk management process		

PREAMBLE TO IR (IF ANY):

The Objectives of the Electric AHI Summary Report section includes the following:
“Asset condition is an important input into the risk management process and the prioritization of capital funding....” See also Coalition 1-11.

QUESTION:

Identify and describe the Manitoba Hydro asset management model(s) and explain in complete detail how these model(s) are used to select and prioritize sustaining capital expenditures.

RATIONALE FOR QUESTION:

Review Manitoba Hydro's risk assessment process as it relates to a significant cost driver. Seeks more specifics than Coalition/MH 1-11.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

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COALITION/MH-I-93c

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Information request Coalition/MH 1-93 is a central information request relating to capital asset prioritization.

Hydro's objections are not responsive to the question posed. There was no request for an electronic version of the model.

The question simply asked Hydro to

Identify and describe its asset management model(s) and explain in complete detail how these model(s) are used to select and prioritize sustaining capital expenditures.

We would ask that the question be answered as posed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-93e

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

The Objectives of the Electric AHI Summary Report section includes the following:
“Asset condition is an important input into the risk management process and the prioritization of capital funding....” See also Coalition 1-11.

QUESTION:

Describe the process that Manitoba Hydro uses to prioritize projects within assets classes, and provide a fully functioning electronic copy of any model used in this process.

RATIONALE FOR QUESTION:

Review Manitoba Hydro’s risk assessment process as it relates to a significant cost driver. Seeks more specifics than Coalition/MH 1-11.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation’s models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
COALITION/MH-I-93e

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Information request Coalition/MH 1-93 is a central information request relating to capital asset prioritization.

Hydro's response is generic and does not address the specific information requested. We note that Hydro's objections are inconsistent with its own recent actions in a concurrent proceeding and with well accepted regulatory practice elsewhere.

The objections that certain spreadsheets cannot be produced because of meta-data is simply specious.

Hydro's response threatens to materially impair a critical element of the Coalition analysis and to substantially increase associated costs.

One of the most important parts of the capital expenditure forecast is the forecast model itself and how the company utilizes it to predict capital expenditures in the future. We understand that some of these capex forecast models are large and may require some effort from the company to be provided, but the proposed capex has increased significantly in comparison with prior years. A thorough review of the model that dictates the potential expenditures is necessary.

Hydro's provided access to key models in the LWR proceeding

While Hydro claims its past practice is not to provide this type of detail, it is noteworthy that in the current Lake Winnipeg Regulation proceeding, Manitoba Hydro provided access to two Excel spreadsheet models to the CEC appointed expert:

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Manitoba Hydro

Our understanding is that Hydro provided a half-day workshop on the models and provided copies of the model for review and testing. (LAKE WINNIPEG REGULATION, Review of Hydrologic and Operational Models, George F. McMahon, p. 2-1 and 2-2)

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COALITION/MH-I-93e

Hydro's proposal is inconsistent with good industry practice related to capital asset expenditure review

We also note that Manitoba Hydro's approach to the sharing of models is inconsistent with the approach in other regulator proceedings. For example:

- Nova Scotia Power, Docket # M06514 (2014):

Nova Scotia Power utilizes an economic analysis model (“EAM”) to decide whether an economically justified capital project is the best option for customers by assessing a number of variable inputs. The EAM results are provided in the public version of the case filing while the actual model (in electronic format with the formulae intact) is provided for review after a confidentiality agreement is executed.

- Duke Energy Indiana, Cause No. 44526 (2014)

Duke Energy Indiana uses a risk assessment model prepared by Black & Veatch (a third party vendor) to identify investments needed for the replacement of Transmission and Distribution infrastructure for its Transmission, Distribution, and Storage System Improvement Charges 7-year plan. After executing a non-disclosure agreement, an opportunity was provided to conduct a technical session with Black & Veatch to explore the spreadsheet model and follow-up discovery about the model was answered.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's refusal to provide electronic copies of models and data may prevent our consultants from gaining a timely understanding of the software driven aspects of its asset capital asset management program.

In the best case scenario, the refusal will substantially increase our modeling and analysis work.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

Overall, the various general objections made by MH to several questions looking for models or data is vague and does not tie exact objection(s) to a specific request. This approach is counterproductive, and does not help us narrow areas of dispute. The

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objections that certain spreadsheets can't be produced because of meta-data is simply specious.

The MH solution is to deliberately convert the spreadsheets from functioning files into a far less useful format:

In these situations, in order to remove the metadata, the file must be converted to an Adobe Acrobat portable document format (pdf) file. This is an electronic file format that is an open standard which is readable by many different operating systems, does not require specific software to read and allows all parties to access filed information.

The conversion process to pdf will remove any formulas from the spreadsheets, rendering them useless from an analytical perspective. If MH decides to manually scan the pdfs or add a watermark to the sheets, it will be almost impossible electronically copy data into Excel files.

That means data would have to be manually entered, a time consuming in order to be useful, cumbersome and entirely unnecessary process since MH already maintains the data in functioning spreadsheets.

Position of the Coalition

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

In the alternative, we ask that Hydro be required to:

(1) State in writing which exact IRs it:

(a) will not answer with specifics for the reason why;

(b) desires to answer but will provide a model or database in pdf format instead of a machine readable electronic format, including an identification of the electronic format for the original model or data and why a pdf is the appropriate media for production;

(c) will not answer since the material requested is claimed to be protected intellectual property, and why a non-disclosure agreement would be insufficient to protect the intellectual property of any third party software vendor.

(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

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(3) In all relevant cases, provide spreadsheets in fully functioning Excel format with all formulas intact, cells enabled and data linked. If spreadsheets have any metadata removed, including staff notes, MH should create a privilege log that identifies the information, the author, the effect on formulas or data from the removal of metadata and the claimed privilege entitling the MH to remove the information.

We offer these accommodations as way to move the process along given the tight time frames in the case, rather than as a substitute for the questions as originally asked. Not having the models, but instead just a description, may dilute our ability to understand the capital planning and project selection process of MH.

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Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

Manitoba Hydro claims that the charts used on section 5 of the Electric Asset Health Index Summary Report are arranged so the reader can compare the current condition of all assets versus the forecasted condition 20 years in the future. The transmission forecast includes approved capital sustainment programs for breakers, transformers and wood poles.

QUESTION:

Please indicate the amount of replacements for generation, transmission, HVDC and distribution by year as they are included in the 20 year forecast in electronic format.

RATIONALE FOR QUESTION:

To provide insight into the prioritization process and test reasonableness.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

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In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Hydro's response is generic and does not address the specific information requested.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

Overall, the various general objections made by MH to several questions looking for models or data is vague and does not tie exact objection(s) to a specific request. This approach is counterproductive, and does not help us narrow areas of dispute. The objections that certain spreadsheets can't be produced because of meta-data is simply specious.

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In these situations, in order to remove the metadata, the file must be converted to an Adobe Acrobat portable document format (pdf) file. This is an electronic file format that is an open standard which is readable by many different operating systems, does not require specific software to read and allows all parties to access filed information.

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Position of the Coalition

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

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COALITION/MH-I-97b

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

Manitoba Hydro claims that the charts used on section 5 of the Electric Asset Health Index Summary Report are arranged so the reader can compare the current condition of all assets versus the forecasted condition 20 years in the future. The transmission forecast includes approved capital sustainment programs for breakers, transformers and wood poles.

QUESTION:

Please provide a list with all the programs – capital sustainment or other- included in the 20 year forecast charts in electronic format and a breakdown of their cost and asset replacements amount by year.

RATIONALE FOR QUESTION:

To provide insight into the prioritization process and test reasonableness.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

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In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Hydro's response is generic and does not address the specific information requested.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

Overall, the various general objections made by MH to several questions looking for models or data is vague and does not tie exact objection(s) to a specific request. This approach is counterproductive, and does not help us narrow areas of dispute. The objections that certain spreadsheets can't be produced because of meta-data is simply specious.

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Position of the Coalition

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

In the alternative, we ask that Hydro be required to:

(1) State in writing which exact IRs it:

(a) will not answer with specifics for the reason why;

(b) desires to answer but will provide a model or database in pdf format instead of a machine readable electronic format, including an identification of the electronic format for the original model or data and why a pdf is the appropriate media for production;

(c) will not answer since the material requested is claimed to be protected intellectual property, and why a non-disclosure agreement would be insufficient to protect the intellectual property of any third party software vendor.

(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

(3) In all relevant cases, provide spreadsheets in fully functioning Excel format with all formulas intact, cells enabled and data linked. If spreadsheets have any metadata removed, including staff notes, MH should create a privilege log that identifies the information, the author, the effect on formulas or data from the removal of metadata and the claimed privilege entitling the MH to remove the information.

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COALITION/MH-I-97c

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

Manitoba Hydro claims that the charts used on section 5 of the Electric Asset Health Index Summary Report are arranged so the reader can compare the current condition of all assets versus the forecasted condition 20 years in the future. The transmission forecast includes approved capital sustainment programs for breakers, transformers and wood poles.

QUESTION:

Please provide an updated 20 year asset condition assessment forecast -similarly to the charts provided- in electronic format with the formulae intact assuming current replacement rates for generation, transmission, HVDC and distribution.

RATIONALE FOR QUESTION:

To provide insight into the prioritization process and test reasonableness.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may

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contain competitive or commercially sensitive information which is not appropriate to be disclosed.

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Hydro's response is generic and does not address the specific information requested.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

Overall, the various general objections made by MH to several questions looking for models or data is vague and does not tie exact objection(s) to a specific request. This approach is counterproductive, and does not help us narrow areas of dispute. The objections that certain spreadsheets can't be produced because of meta-data is simply specious.

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In these situations, in order to remove the metadata, the file must be converted to an Adobe Acrobat portable document format (pdf) file. This is an electronic file format that is an open standard which is readable by many different operating systems, does not require specific software to read and allows all parties to access filed information.

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Position of the Coalition

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

In the alternative, we ask that Hydro be required to:

(1) State in writing which exact IRs it:

(a) will not answer with specifics for the reason why;

(b) desires to answer but will provide a model or database in pdf format instead of a machine readable electronic format, including an identification of the electronic format for the original model or data and why a pdf is the appropriate media for production;

(c) will not answer since the material requested is claimed to be protected intellectual property, and why a non-disclosure agreement would be insufficient to protect the intellectual property of any third party software vendor.

(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

(3) In all relevant cases, provide spreadsheets in fully functioning Excel format with all formulas intact, cells enabled and data linked. If spreadsheets have any metadata removed, including staff notes, MH should create a privilege log that identifies the information, the author, the effect on formulas or data from the removal of metadata and the claimed privilege entitling the MH to remove the information.

We offer these accommodations as way to move the process along given the tight time frames in the case, rather than as a substitute for the questions as originally asked. Not having the models, but instead just a description, may dilute our ability to understand the capital planning and project selection process of MH.

Section:	Tab 4 Appendix 4.2	Page No.:	p. 70
Topic:	Capital Expenditure Forecast		
Subtopic:	Current vs. 20 year Forecast of Asset condition		
Issue:	Comparison between current and forecast		

PREAMBLE TO IR (IF ANY):

Manitoba Hydro claims that the charts used on section 5 of the Electric Asset Health Index Summary Report are arranged so the reader can compare the current condition of all assets versus the forecasted condition 20 years in the future. The transmission forecast includes approved capital sustainment programs for breakers, transformers and wood poles.

QUESTION:

Please provide updated 20 year asset condition assessment forecast in electronic format - similarly to the charts provided- with the formulae intact assuming proposed replacement rates for generation, transmission, HVDC and distribution.

RATIONALE FOR QUESTION:

To provide insight into the prioritization process and test reasonableness.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

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Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

Hydro's response is generic and does not address the specific information requested.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

Overall, the various general objections made by MH to several questions looking for models or data is vague and does not tie exact objection(s) to a specific request. This approach is counterproductive, and does not help us narrow areas of dispute. The objections that certain spreadsheets can't be produced because of meta-data is simply specious.

The MH solution is to deliberately convert the spreadsheets from functioning files into a far less useful format:

In these situations, in order to remove the metadata, the file must be converted to an Adobe Acrobat portable document format (pdf) file. This is an electronic file format that is an open standard which is readable by many different operating systems, does not require specific software to read and allows all parties to access filed information.

The conversion process to pdf will remove any formulas from the spreadsheets, rendering them useless from an analytical perspective. If MH decides to manually scan the pdfs or add a watermark to the sheets, it will be almost impossible electronically copy data into Excel files.

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Position of the Coalition

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

In the alternative, we ask that Hydro be required to:

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- (a) will not answer with specifics for the reason why;
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- (c) will not answer since the material requested is claimed to be protected intellectual property, and why a non-disclosure agreement would be insufficient to protect the intellectual property of any third party software vendor.

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(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

(3) In all relevant cases, provide spreadsheets in fully functioning Excel format with all formulas intact, cells enabled and data linked. If spreadsheets have any metadata removed, including staff notes, MH should create a privilege log that identifies the information, the author, the effect on formulas or data from the removal of metadata and the claimed privilege entitling the MH to remove the information.

We offer these accommodations as way to move the process along given the tight time frames in the case, rather than as a substitute for the questions as originally asked. Not having the models, but instead just a description, may dilute our ability to understand the capital planning and project selection process of MH.

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Section:	Tab 4 Appendix 4.2, Appendix C	Page No.:	p. 89
Topic:	Capital Expenditure Forecast		
Subtopic:	Statistical failure models		
Issue:	Review and assess the validity of the statistical failure models		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide all the statistical failure models produced by the third party consultant in electronic format with all formulae intact.

RATIONALE FOR QUESTION:

Validate statistical failure models.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

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COALITION RESPONSE:

If requested, the Coalition experts would consider undertaking a confidentiality agreement related to this specific information response.

Hydro's response is generic and does not address the specific information requested although we presume this specific refusal is related to a third party. We note that Hydro's objections are inconsistent with its own recent actions in a concurrent proceeding and with well accepted regulatory practice elsewhere.

The objections that certain spreadsheets cannot be produced because of meta-data is simply specious.

Hydro's response threatens to materially impair a critical element of the Coalition analysis and to substantially increase associated costs.

One of the most important parts of the capital expenditure forecast is the forecast model itself and how the company utilizes it to predict capital expenditures in the future. We understand that some of these capex forecast models are large and may require some effort from the company to be provided, but the proposed capex has increased significantly in comparison with prior years. A thorough review of the model that dictates the potential expenditures is necessary.

Hydro's provided access to key models in the LWR proceeding

While Hydro claims its past practice is not to provide this type of detail, it is noteworthy that in the current Lake Winnipeg Regulation proceeding, Manitoba Hydro provided access to two Excel spreadsheet models to the CEC appointed expert:

- a water balance model for Lake Winnipeg (the Lake Winnipeg Routing Model) and a downstream Nelson River routing model (the Nelson River Routing Model).
Manitoba Hydro

Our understanding is that Hydro provided a half-day workshop on the models and provided copies of the model for review and testing. (LAKE WINNIPEG REGULATION, Review of Hydrologic and Operational Models, George F. McMahon, p. 2-1 and 2-2)

Hydro's proposal is inconsistent with good industry practice related to capital asset expenditure review

We also note that Manitoba Hydro's approach to the sharing of models is inconsistent with the approach in other regulator proceedings. For example:

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- Nova Scotia Power, Docket # M06514 (2014):

Nova Scotia Power utilizes an economic analysis model (“EAM”) to decide whether an economically justified capital project is the best option for customers by assessing a number of variable inputs. The EAM results are provided in the public version of the case filing while the actual model (in electronic format with the formulae intact) is provided for review after a confidentiality agreement is executed.

- Duke Energy Indiana, Cause No. 44526 (2014)

Duke Energy Indiana uses a risk assessment model prepared by Black & Veatch (a third party vendor) to identify investments needed for the replacement of Transmission and Distribution infrastructure for its Transmission, Distribution, and Storage System Improvement Charges 7-year plan. After executing a non-disclosure agreement, an opportunity was provided to conduct a technical session with Black & Veatch to explore the spreadsheet model and follow-up discovery about the model was answered.

Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's refusal to provide electronic copies of models and data may prevent our consultants from gaining a timely understanding of the software driven aspects of its asset capital asset management program.

In the best case scenario, the refusal will substantially increases our modeling and analysis work.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

Overall, the various general objections made by MH to several questions looking for models or data is vague and does not tie exact objection(s) to a specific request. This approach is counterproductive, and does not help us narrow areas of dispute. The objections that certain spreadsheets can't be produced because of meta-data is simply specious.

The MH solution is to deliberately convert the spreadsheets from functioning files into a far less useful format:

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In these situations, in order to remove the metadata, the file must be converted to an Adobe Acrobat portable document format (pdf) file. This is an electronic file format that is an open standard which is readable by many different operating systems, does not require specific software to read and allows all parties to access filed information.

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Position of the Coalition

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(c) will not answer since the material requested is claimed to be protected intellectual property, and why a non-disclosure agreement would be insufficient to protect the intellectual property of any third party software vendor.

(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

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We offer these accommodations as way to move the process along given the tight time frames in the case, rather than as a substitute for the questions as originally asked. Not having the models, but instead just a description, may dilute our ability to understand the capital planning and project selection process of MH.

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Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide the statistical failure models for:

- i. Breakers
- ii. Transformers
- iii. Transmission line wood poles

RATIONALE FOR QUESTION:

Validate statistical failure models.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

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COALITION/MH-I-100bi-iii

In accordance with past practice, where applicable and readily available, Manitoba Hydro will respond to this IR by providing information in Microsoft Excel or other writable format containing data only.

COALITION RESPONSE:

If requested, the Coalition experts would consider undertaking a confidentiality agreement related to this specific information response.

Hydro's response is generic and does not address the specific information requested although we presume this specific refusal is related to a third party. We note that Hydro's objections are inconsistent with its own recent actions in a concurrent proceeding and with well accepted regulatory practice elsewhere.

The objections that certain spreadsheets cannot be produced because of meta-data is simply specious.

Hydro's response threatens to materially impair a critical element of the Coalition analysis and to substantially increase associated costs.

One of the most important parts of the capital expenditure forecast is the forecast model itself and how the company utilizes it to predict capital expenditures in the future. We understand that some of these capex forecast models are large and may require some effort from the company to be provided, but the proposed capex has increased significantly in comparison with prior years. A thorough review of the model that dictates the potential expenditures is necessary.

Hydro's provided access to key models in the LWR proceeding

While Hydro claims its past practice is not to provide this type of detail, it is noteworthy that in the current Lake Winnipeg Regulation proceeding, Manitoba Hydro provided access to two Excel spreadsheet models to the CEC appointed expert:

- a water balance model for Lake Winnipeg (the Lake Winnipeg Routing Model) and a downstream Nelson River routing model (the Nelson River Routing Model).
Manitoba Hydro

Our understanding is that Hydro provided a half-day workshop on the models and provided copies of the model for review and testing. (LAKE WINNIPEG REGULATION, Review of Hydrologic and Operational Models, George F. McMahon, p. 2-1 and 2-2)

Hydro's proposal is inconsistent with good industry practice related to capital asset expenditure review

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We also note that Manitoba Hydro's approach to the sharing of models is inconsistent with the approach in other regulator proceedings. For example:

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Nova Scotia Power utilizes an economic analysis model (“EAM”) to decide whether an economically justified capital project is the best option for customers by assessing a number of variable inputs. The EAM results are provided in the public version of the case filing while the actual model (in electronic format with the formulae intact) is provided for review after a confidentiality agreement is executed.

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Prejudice to the Coalition

Without providing specifics related to the information requested, Manitoba Hydro has identified a number of objections relating to the provision of its internal models in electronic format. The company claims that the models are either too large to provide or if provided in electronic format they will be available for modification that according to MH will require additional resources to analyze. In addition, MH denotes that certain spreadsheets can only be provided in pdf format or not at all due to the inclusion of data or models deemed confidential or subject to intellectual property rights.

Hydro's refusal to provide electronic copies of models and data may prevent our consultants from gaining a timely understanding of the software driven aspects of its asset capital asset management program.

In the best case scenario, the refusal will substantially increase our modeling and analysis work.

Hydro's proposed alternative is expensive and obstructive to good regulatory review

Overall, the various general objections made by MH to several questions looking for models or data is vague and does not tie exact objection(s) to a specific request. This approach is counterproductive, and does not help us narrow areas of dispute. The objections that certain spreadsheets can't be produced because of meta-data is simply specious.

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The MH solution is to deliberately convert the spreadsheets from functioning files into a far less useful format:

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The conversion process to pdf will remove any formulas from the spreadsheets, rendering them useless from an analytical perspective. If MH decides to manually scan the pdfs or add a watermark to the sheets, it will be almost impossible electronically copy data into Excel files.

That means data would have to be manually entered, a time consuming in order to be useful, cumbersome and entirely unnecessary process since MH already maintains the data in functioning spreadsheets.

Position of the Coalition

Our preferred approach is that the information requests be answered as posed. That would be consistent with good regulatory practice elsewhere and consistent with Hydro's recent practice in Lake Winnipeg Regulation.

In the alternative, we ask that Hydro be required to:

(1) State in writing which exact IRs it:

(a) will not answer with specifics for the reason why;

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(c) will not answer since the material requested is claimed to be protected intellectual property, and why a non-disclosure agreement would be insufficient to protect the intellectual property of any third party software vendor.

(2) For each model or database not produced in response to 1(c), provide a full written (a) identification of the model or database and (b) a detailed description of the model or database, (including all its material aspects) and how it is used by MH.

(3) In all relevant cases, provide spreadsheets in fully functioning Excel format with all formulas intact, cells enabled and data linked. If spreadsheets have any metadata removed, including staff notes, MH should create a privilege log that identifies the information, the author, the

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effect on formulas or data from the removal of metadata and the claimed privilege entitling the MH to remove the information.

We offer these accommodations as way to move the process along given the tight time frames in the case, rather than as a substitute for the questions as originally asked. Not having the models, but instead just a description, may dilute our ability to understand the capital planning and project selection process of MH.

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COALITION/MH-I-100ci-iii

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

QUESTION:

For the statistical failure models mentioned on part (b) please identify the following:

- i. The part based on consultants industry failure curves
- ii. The part based on subject matter expert input
- iii. The part based on Manitoba Hydro input

RATIONALE FOR QUESTION:

Validate statistical failure models.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not be able to file electronic spreadsheets in all cases as certain models used by the Corporation are large and complex and a significant amount of time and effort would need to be invested to be capable of operating the model correctly and in analyzing changes made by Interveners to the spreadsheets and understanding their potential impacts. This approach is inefficient, would require additional time to be provided within the regulatory process and would make the regulatory process more cumbersome. Similarly, certain spreadsheets contain significant metadata, which includes working notes and references made by the staff responsible for the files which cannot be disclosed for confidentially or other reasons. Additionally, some of the Corporation's models may be subject to intellectual property rights reserved by third parties and are not available to be shared in the regulatory process. In addition, some spreadsheets may contain competitive or commercially sensitive information which is not appropriate to be disclosed.

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COALITION RESPONSE:

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One of the most important parts of the capital expenditure forecast is the forecast model itself and how the company utilizes it to predict capital expenditures in the future. We understand that some of these capex forecast models are large and may require some effort from the company to be provided, but the proposed capex has increased significantly in comparison with prior years. A thorough review of the model that dictates the potential expenditures is necessary.

Hydro's provided access to key models in the LWR proceeding

While Hydro claims its past practice is not to provide this type of detail, it is noteworthy that in the current Lake Winnipeg Regulation proceeding, Manitoba Hydro provided access to two Excel spreadsheet models to the CEC appointed expert:

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Manitoba Hydro

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Hydro's proposal is inconsistent with good industry practice related to capital asset expenditure review

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Prejudice to the Coalition

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COALITION/MH-I-100ci-iii

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COALITION/MH-I-100e

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

QUESTION:

Please identify how the statistical models produced by the third party consultant progress through time and how they treat potential replacements

RATIONALE FOR QUESTION:

Validate statistical failure models.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

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asked. Not having the models, but instead just a description, may dilute our ability to understand the capital planning and project selection process of MH.

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COALITION/MH-I-104b

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

In Figure 4.18 Manitoba Hydro claims that the turnover of its assets at current replacement rates generally exceeds their life expectancy. For example generators have a 60 year life, but given their rate of replacement it will take 117 years to replace them.

QUESTION:

For each asset type in Figure 4.18 provide a table with the current net book value of the asset along with a weighted average composite average life expectancy of the rate base along with the associated average depreciation rate.

RATIONALE FOR QUESTION:

Manitoba Hydro's IFF shows a projected \$900 million loss to Manitoba Hydro. While most depreciation questions are left to the PUB and MIPUG, this goes to issues of intergenerational equity.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro submits that it has provided sufficient information in its GRA, in particular Appendix 5.6, to satisfy this request and for the PUB and parties to test the reasonableness of the depreciation expense included in the test years.

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COALITION RESPONSE:

While the Coalition rejects the Corporation's rationale, the Coalition notes that it did generally defer its questioning related to depreciation to MIPUG.

Given time pressures on all parties and the surprising number of refusals of Hydro related to MIPUG depreciation questions, the Coalition does not wish to stand in the way of timely responses to the many MIPUG questions on depreciation.

The question is withdrawn.

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COALITION/MH-I-105a-l

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

In its letter to the PUB on February 4, Manitoba Hydro indicated that "... more weight should be afforded to reviewing the first 10 years of the financial forecast ...".

Consumers' Coalition notes that Manitoba Hydro comments on Moody's "negative" trend on page 20 of Tab 3, and on page 21, that "It is important that ... weakened financial ratios ... do not negatively impact the credit rating."

Consumers' Coalition observes that the Morrison Park Advisors ("MPA") report filed in the NFAT proceeding, comments on certain aspects of rating agencies actions and market behaviours.

Consumers' Coalition also notes that Appendix 3.8 does not contain the S&P rating reports. The Consumers' Coalition observes that the S&P web site offers a "Supplementary Analysis: Province of Manitoba, dated 10-Dec--2014", which document provides, "In our opinion, a sharp deterioration in the province's after-capital results leading to a sustained increase in tax-supported debt beyond 180% of consolidated operating revenues, or a significant decline in cash and investment holdings could result in a negative outlook revision or downgrade." This document also indicates a "Tax-supported debt" level for 2013 of approximately 152.6, declining to 151.2 for 2016.

Consumers' Coalition wishes to understand the degree or strength of linkage between bond ratings and the actual rates and spreads which debt instruments trade in the market.

QUESTION:

- a) Is it the credit rating that is important or the price at which debt is obtained in the financial markets?
- b) Does Manitoba Hydro accept the proposition advanced by MPA at page 69 of 94 that "Projecting forward ten, ... years to a possible financial distress episode at Manitoba Hydro on the basis of current estimates is a tenuous exercise at best,

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- both because of the time involved, and because of the vagaries of the credit rating world” and if not, why not.
- c) Is it Manitoba Hydro’s position that as rating agencies classify borrowers into various rating classes, that the rating level is indicative or determinative of the spread that the market applies to the borrowers bonds?
 - d) Does Manitoba Hydro accept the proposition advanced by MPA at page 71 of 94 that “the pattern of the credit spread between Manitoba bonds and Government of Canada bonds does not correspond to the rating agency views”, and if not please explain why not, and provide the correct proposition to link ratings and market credit spreads?
 - e) As MPA notes at page 70 of 94 that “In the past twenty years, Moody’s has upgraded Manitoba’s credit rating three times”, Consumers’ Coalition wishes to understand if Manitoba can identify if within a week of any of those upgrades, whether the indicated market rate of 10 year Manitoba bonds changed by a such a degree so as to create a direct line to the rating event and the change in market rates?
 - f) Does Manitoba Hydro accept the proposition advanced by MPA at page 71 of 94 that “both Moody’s and DBRS increased Manitoba’s credit rating in 2003, after the spread had already declined, with no apparent further affect once their new positions were announced”, and if not please explain why not, and provide the market yields and spreads to support the alternative proposition?
 - g) As MPA notes at page 70 of 94 that “DBRS rates Manitoba equal to Quebec, but less than Ontario, while Standard and Poors rates Manitoba one notch above Ontario and two notches above Quebec”, and Manitoba Hydro presents similar information in Figure 3.9 in Tab 3, Consumers’ Coalition wishes to understand if Manitoba Hydro can demonstrate through market yield and spread data related to 10 year obligations of Manitoba, Ontario, Ontario Hydro, Quebec and Quebec Hydro, whether the opinion of DBRS, Moody’s or S&P appears to be best reflected in the yields of 10 year debt instruments?
 - h) As MPA notes at page 70 of 94 that “DBRS rates Manitoba equal to Quebec, but less than Ontario, while Standard and Poors rates Manitoba one notch above Ontario and two notches above Quebec”, and Manitoba Hydro presents similar information in Figure 3.9 in Tab 3, Consumers’ Coalition wishes to understand if Manitoba Hydro can demonstrate through market yield and spread data related to 20 year obligations of Manitoba, Ontario, Ontario Hydro, Quebec and Quebec Hydro, whether the opinion of DBRS, Moody’s or S&P appears to be best reflected in the yields of 20 year debt instruments?
 - i) As MPA notes at page 70 of 94 that “DBRS rates Manitoba equal to Quebec, but less than Ontario, while Standard and Poors rates Manitoba one notch above Ontario and two notches above Quebec”, and Manitoba Hydro presents similar information in Figure 3.9 in Tab 3, Consumers’ Coalition wishes to understand if Manitoba Hydro can demonstrate through market yield and spread data related to 10 year obligations of Manitoba, Ontario, Ontario Hydro, Quebec and Quebec

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COALITION/MH-I-105a-l

- Hydro, the value of a “notch” reduction in rating reflected in the 10 year debt instruments?
- j) As MPA notes at page 70 of 94 that “DBRS rates Manitoba equal to Quebec, but less than Ontario, while Standard and Poors rates Manitoba one notch above Ontario and two notches above Quebec”, and Manitoba Hydro presents similar information in Figure 3.9 in Tab 3, Consumers’ Coalition wishes to understand if Manitoba Hydro can demonstrate through market yield and spread data related to 20 year obligations of Manitoba, Ontario, Ontario Hydro, Quebec and Quebec Hydro, the value of a “notch” reduction in rating reflected in 20 year debt instruments?
- k) In light of the 180% threshold indicated “Supplementary Analysis: Province of Manitoba, Publication date 10-Dec-2014”, and the current and forecast levels of approximately 150% please comment on timing of and likelihood of a “downgrade” in respect of the base case and each of the sensitivities found in Attachments A, B, C, and D of Appendix 3.5 and the -1% interest rate scenario found at page 11 of 40 in Appendix 3.6.
- l) Consumers’ Coalition wishes to understand the precise meaning of the term “self-supporting” as that term is used through-out the application.
- i. Over what period of time, perhaps a quarter, a year, 3 years, 5 or more years is the status of “self-supporting” determined or established?
 - ii. Was Manitoba Hydro’s debt “self-supporting” during fiscal 2004, a year of a \$436 million loss, and if not, why?
 - iii. Was Manitoba Hydro’s debt “self-supporting” during the fiscal 2003 through 2005 period, a period with a net loss of approximately \$229 million, and if not, why?
 - iv. Is the concept of “self-supporting” based on financing expenses and net income, or interest costs ignoring any capitalization of interest on funds borrowed for major new generation, transmission or head office costs and net income, or some other measures?

RATIONALE FOR QUESTION:

Goes to reliability of IFF and implications for access to affordable credit. Seeks different insight than MMF/Hydro 1-2 or PUB questions.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This request includes unfounded hypotheses and assumptions and are not proper information requests as contemplated by Rule 14 of the PUB’s Rules of Practice and

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Procedure for “..a satisfactory understanding of the matters to be considered.” Any response other than "not applicable" is not possible.

The information request process is not a vehicle by which intervenors may obtain tools and/or evidence from the applicant to assist them in creating their own evidence to propose alternatives to that which has been applied for by Manitoba Hydro. It is up to intervening parties to prove their own case and not for the applicant to demonstrate why the information sought from it is not relevant or significant to the relief it has applied for.

COALITION RESPONSE:

Hydro's generic response is puzzling and not responsive to the questions posed.

MH has stated that the financial soundness is important because bond rating agencies look to it in doing their ratings and rating impact the interest rates and thus the cost to ratepayers.

The questions are simply testing the alleged linkage between debt ratings, interest rates and costs to ratepayers.

The questions posed are proper both for information requests and by cross examination. Answering them now will reduce the time required for cross examination.

We would ask that the question be answered as posed.

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 COALITION/MH-I-107a

Section:
Topic:
Subtopic:
Issue:

PREAMBLE TO IR (IF ANY):

In its letter to the PUB on February 4, Manitoba Hydro indicated that “... more weight should be afforded to reviewing the first 10 years of the financial forecast ...”

Consumers’ Coalition observes in Appendix 3.4, page 1 of 6, that financing expense is the largest expense in Electrical operations in fiscal 2017 and is by 2022 is forecast to be greater than the sum of the next two expenses categories, operations and depreciation.

Consumers’ Coalition observes that the 90 day T-bill interest rate forecasts in many recent years have forecast materially higher interest rates than those that actually occurred, and believes that this overstates the financial burdens to be faced by Manitoba Hydro, in past and current forecasts.

Consumers’ Coalition has prepared the table below to attempt to quantify the error in forecasting of 90 day T-bill interest rate from data found in Economic Outlooks for 2006, 2007, 2009, 2010, 2011, 2012, 2013 and 2014. At the time this question was being prepared, Consumers’ Coalition was unable to find a 2008 Economic Outlook. To allow for the final period comparison for each forecast, as there are approximately 6 weeks remaining in the fiscal year, Consumers’ Coalition has estimated 0.89% as the 2014/15 actual value using the available Bank of Canada data series V39065 for the period April 1, 2014 to February 12, 2015. See cell 2014/15, in the row “Actual”.

To assist in understanding the table, the 2011 first year error of 0.69% is calculated by subtracting the actual 2012 0.91% value from the forecast of 1.60%. The 8th year 2006 forecast error of 3.56% is calculated by subtracting the actual 2014 value of 0.94% from the 4.5% forecast for 2014.

90 Day T-bill Fiscal year	2006	2007	2008	2009	2010	2011	2012	2013	2014
2006	4.00%	4.05%	4.25%	4.25%	4.30%	4.50%	4.50%	4.50%	4.50%
2007		4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%
2008									

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2009				0.80%	1.90%	3.80%	4.20%	4.25%	4.25%
2010					0.95%	2.50%	3.10%	3.65%	4.10%
2011						1.60%	2.80%	4.45%	3.80%
2012							1.00%	1.45%	2.95%
2013								1.05%	1.45%
2014									1.00%
Actual	4.16%	3.83%	1.84%	0.22%	0.78%	0.91%	0.97%	0.94%	0.89%
Error	1 Year	2 Year	3 Year	4 Year	5 Year	6 Year	7 Year	8 Year	9 Year
2006	-0.16%	0.22%	2.41%	4.03%	3.52%	3.59%	3.53%	3.56%	3.61%
2007	0.42%	2.41%	4.03%	3.47%	3.34%	3.28%	3.31%	3.36%	
2008									
2009	0.58%	1.12%	2.89%	3.23%	3.31%	3.36%			
2010	0.17%	1.59%	2.13%	2.71%	3.21%				
2011	0.69%	1.83%	3.51%	2.91%					
2012	0.03%	0.51%	2.06%						
2013	0.11%	0.56%							
2014	0.11%								
Avg error	0.24%	1.18%	2.84%	3.27%	3.35%	3.41%	3.42%	3.46%	3.61%
Avg Forecast	1.83%	2.63%	3.80%	4.03%	4.23%	4.33%	4.38%	4.38%	4.50%
Error/AvgFest	13%	45%	75%	81%	79%	79%	78%	79%	80%

The average forecast is calculated using forecasts for periods of equal distance from the date of the forecast date. For the 2 year average, they include the second left side value in each row, from 4.05% for the 2006 forecast through to 1.45% for the 2013 forecast. For the 7 year value the average forecast includes the 2006 forecast for the 2012/13 fiscal year of 4.50% and the 2007 forecast for the 2013/14 fiscal year of 4.25% and would include the 2008 forecast for the 2014/15 fiscal year, had that forecast been available at the time of the calculation. The average error to average forecast is calculated by division.

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QUESTION:

Please confirm that the data points extracted from the 2006, 2007 and 2009 through 2014 Economic Outlooks are correct for each of the fiscal periods or supply the corrected value for any erroneous data points.

RATIONALE FOR QUESTION:

The question goes to alleged forecast bias of an important element of the rate.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This request includes unfounded hypotheses and assumptions and are not proper information requests as contemplated by Rule 14 of the PUB's Rules of Practice and Procedure for "...a satisfactory understanding of the matters to be considered." Any response other than "not applicable" is not possible. Furthermore, it is simply wrong, unfounded and inflammatory for the Coalition to suggest as it did in its questions/submission that Manitoba Hydro continues to use a "...statistically biased and inaccurate forecast methodology for periods longer than four years".

The information request process is not a vehicle by which intervenors may obtain tools and/or evidence from the applicant to assist them in creating their own evidence to propose alternatives to that which has been applied for by Manitoba Hydro. It is up to intervening parties to prove their own case and not for the applicant to demonstrate why the information sought from it is not relevant or significant to the relief it has applied for.

COALITION RESPONSE:

Hydro's generic response is puzzling and not responsive to the questions posed.

The question posed go to the reliability of Hydro's financial forecasts which as explained in the preamble are an important underpinning of Hydro's proposed rate increase.

It is well accepted practice in regulation proceedings that in order to reduce time in cross examination calculations are confirmed through information requests. It is especially common when the data being considered flows from the Applicant company.

The questions posed are proper both for information requests and by cross examination. Answering them now will reduce the time required for cross examination.

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Section:	Tab 8	Page No.:	1
Topic:	2013-2014 Power Smart Results		
Subtopic:	2013-2014 Power Smart Annual Review		
Issue:	Detailed 2013/14 results were not provided		

PREAMBLE TO IR (IF ANY):

QUESTION:

Provide the 2013-2014 Power Smart Annual Review, even if preliminary. At a minimum, provide the supporting data, by program and in detail, preferably in Excel format, that form the basis of the 2013-2014 investment and savings estimates reported in Tab 8.

RATIONALE FOR QUESTION:

These data are necessary to conduct analyses of Power Smart progress, and to review trends between historic reported performance and projected future performance.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

All requests for working papers, schedules and calculations are draft or otherwise incomplete documents that may have no relevance to the position that Manitoba Hydro has ultimately taken in this Application. Such documents, even if relevant, have little significance in the context of this proceeding. The time, effort and expense involved in the preparation and filing of such responses are not warranted by the relevance, if any, of the information sought or by the probative value of the result. As such, Manitoba Hydro will not provide the information as requested.

RESPONSE OF MKO/COALITION:

We ask that the PUB direct Manitoba Hydro to provide the 2013-2014 Power Smart Annual Review once it is finalized. We retain the right to pose further cross examination questions at that time.

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The material is relevant. MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

MKO and the Coaliton cannot determine a position "...on the reasonableness of and justification for, Manitoba Hydr 's projected DSM expenditures during the test years." in the absence of a detailed comparison of those projections with historical performance.

It is important to understand both past and current assumptions about savings estimates in order to do that. It is not our intention to criticize or comment on what Hydro did in the past but rather to use those data to inform our analyses of the proposed savings.

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Section:
Topic:
Subtopic:
Issue:

PREAMBLE TO IR (IF ANY):

QUESTION:

Provide, by program, by year, preferably in Excel format, the following historical data for each of the past five years of Power Smart implementation as well as for the current year to date:

- a. Number of participants;
- b. Total number of measures installed, by measure type;
- c. Total program annual incremental savings claimed, by measure type;
- d. Average number of measures installed per participant, by measure type;
- e. Weighted average measure life, per program;
- f. Average annual incremental savings per participant;
- g. Annual program budget, both total and by category, including incentives, utility administration, marketing, evaluation, etc.;
- i. Provide definitions explaining the costs that are included in each category;
- h. Average total project cost per participant;
- i. Average utility administrative cost per participant;
- j. Average incentive per participant;
- k. Provide, by program, by year, preferably in Excel format, the same data sets as described above, but for each future year of Power Smart implementation, from test year 2014/15 through 2028/29.

RATIONALE FOR QUESTION:

Detailed program level data are necessary in order to perform analyses of Manitoba Hydro's proposed energy efficiency performance in the test years and through 2028/29.

RESPONSE:

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RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE OF MKO/COALITION:

The question as posed is confirmed with the exception of part k which is restated to:

k. Provide, by program, by year, preferably in Excel format, the same data sets as described above, but for each future year of Power Smart implementation, from test year 2014/15 through 2016/17.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

MKO and the Coalition cannot determine a position "...on the reasonableness of and justification for, Manitoba Hydro 's projected DSM expenditures during the test years." in the absence of a detailed comparison of those projections with historical performance.

It is important to understand both past and current assumptions about savings estimates in order to do that. It is not our intention to criticize or comment on what Hydro did in the past but rather to use those data to inform our analyses of the proposed savings.

The request is germane and appropriate to that end and in scope.

We would ask that the rephrased question be answered.

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Section:	Appendix 8.1	Page No.:	18
Topic:	Savings from Codes and Standards		
Subtopic:	Calculation of savings		
Issue:	Savings calculation methodology		

PREAMBLE TO IR (IF ANY):

Manitoba Hydro expects to achieve significant savings through codes and standards efforts.

QUESTION:

For each codes and standards category, provide a detailed methodology explaining how the savings anticipated by Manitoba Hydro are calculated.

RATIONALE FOR QUESTION:

The appropriateness of program administrator claimed savings for codes and standards activities is an emerging area in North American energy efficiency program regulation. Given that there is not yet an industry standard approach in this area, it is important to know the assumptions behind Manitoba Hydro's savings methodology and to understand the magnitude of savings derived from each initiative.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE OF MKO/COALITION:

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This question is highly relevant to ratesetting given that:

The appropriateness of program administrator claimed savings for codes and standards activities is an emerging area in North American energy efficiency program regulation. Given that there is not yet an industry standard approach in this area, it is important to know the assumptions behind Manitoba Hydro's savings methodology and to understand the magnitude of savings derived from each initiative.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

MKO and the Coaliton cannot determine a position "...on the reasonableness of and justification for, Manitoba Hydro 's projected DSM expenditures during the test years." in the absence of a detailed comparison of those projections with historical performance.

It is important to understand both past and current assumptions about savings estimates in order to do that. It is not our intention to criticize or comment on what Hydro did in the past but rather to use those data to inform our analyses of the proposed savings.

The request is germane and appropriate to that end and in scope.

We would ask that the question posed be answered.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-7b

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

Manitoba Hydro expects to achieve significant savings through codes and standards efforts.

QUESTION:

Are Manitoba Hydro's expected savings from codes and standards equal to the full value of the savings that are estimated to accrue for all of its customers due to these enhanced codes and standards?

RATIONALE FOR QUESTION:

The appropriateness of program administrator claimed savings for codes and standards activities is an emerging area in North American energy efficiency program regulation. Given that there is not yet an industry standard approach in this area, it is important to know the assumptions behind Manitoba Hydro's savings methodology and to understand the magnitude of savings derived from each initiative.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

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RESPONSE OF MKO/COALITION:

This question is highly relevant to ratesetting given that:

The appropriateness of program administrator claimed savings for codes and standards activities is an emerging area in North American energy efficiency program regulation. Given that there is not yet an industry standard approach in this area, it is important to know the assumptions behind Manitoba Hydro's savings methodology and to understand the magnitude of savings derived from each initiative.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

MKO and the Coaliton cannot determine a position "...on the reasonableness of and justification for, Manitoba Hydro 's projected DSM expenditures during the test years." in the absence of a detailed comparison of those projections with historical performance.

It is important to understand both past and current assumptions about savings estimates in order to do that. It is not our intention to criticize or comment on what Hydro did in the past but rather to use those data to inform our analyses of the proposed savings.

The request is germane and appropriate to that end and in scope.

We would ask that the question posed be answered.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-7c

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

Manitoba Hydro expects to achieve significant savings through codes and standards efforts.

QUESTION:

Provide the annual incremental savings by year for each codes and standards initiative for which savings are anticipated to be claimed for test years 2014/15-2028/29, preferably in Excel format.

RATIONALE FOR QUESTION:

The appropriateness of program administrator claimed savings for codes and standards activities is an emerging area in North American energy efficiency program regulation. Given that there is not yet an industry standard approach in this area, it is important to know the assumptions behind Manitoba Hydro's savings methodology and to understand the magnitude of savings derived from each initiative.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

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RESPONSE OF MKO/COALITION:

The question has been rephrased to:

Provide the annual incremental savings by year for each codes and standards initiative for which savings are anticipated to be claimed for test years 2014/15-2016/17, preferably in Excel format.

This question is highly relevant to ratesetting given that:

The appropriateness of program administrator claimed savings for codes and standards activities is an emerging area in North American energy efficiency program regulation. Given that there is not yet an industry standard approach in this area, it is important to know the assumptions behind Manitoba Hydro's savings methodology and to understand the magnitude of savings derived from each initiative.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

MKO and the Coaliton cannot determine a position "...on the reasonableness of and justification for, Manitoba Hydro 's projected DSM expenditures during the test years." in the absence of a detailed comparison of those projections with historical performance.

It is important to understand both past and current assumptions about savings estimates in order to do that. It is not our intention to criticize or comment on what Hydro did in the past but rather to use those data to inform our analyses of the proposed savings.

The request is germane and appropriate to that end and in scope.

We would ask that the rephrased question be answered.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-7d

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

Manitoba Hydro expects to achieve significant savings through codes and standards efforts.

QUESTION:

Manitoba Hydro references offsetting 66% of the estimated electric load through its programs. What fraction of that 66% is expected to come from codes and standards savings?

RATIONALE FOR QUESTION:

The appropriateness of program administrator claimed savings for codes and standards activities is an emerging area in North American energy efficiency program regulation. Given that there is not yet an industry standard approach in this area, it is important to know the assumptions behind Manitoba Hydro's savings methodology and to understand the magnitude of savings derived from each initiative.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
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RESPONSE OF MKO/COALITION:

This question is highly relevant to ratesetting given that:

The appropriateness of program administrator claimed savings for codes and standards activities is an emerging area in North American energy efficiency program regulation. Given that there is not yet an industry standard approach in this area, it is important to know the assumptions behind Manitoba Hydro's savings methodology and to understand the magnitude of savings derived from each initiative.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

MKO and the Coaliton cannot determine a position "...on the reasonableness of and justification for, Manitoba Hydro 's projected DSM expenditures during the test years." in the absence of a detailed comparison of those projections with historical performance.

It is important to understand both past and current assumptions about savings estimates in order to do that. It is not our intention to criticize or comment on what Hydro did in the past but rather to use those data to inform our analyses of the proposed savings.

The request is germane and appropriate to that end and in scope.

We would ask that the question be answered as posed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-8a

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

Manitoba Hydro reports that the electric portfolio has a TRC of 2.2, which would suggest that ample cost-effective savings in addition to those proposed are available.

QUESTION:

Provide, in detail, the methodology of all tests used to determine cost-effectiveness of energy efficiency opportunities for the proposed 2014/15-2028/29 programs.

RATIONALE FOR QUESTION:

Additional cost-effective opportunities could reduce consumer bills and defer growth-based infrastructure improvements, potentially at a much lower cost to ratepayers.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE OF MKO/COALITION:

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
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This question goes directly to a test of cost effectiveness which is a central element of any rate setting process.

The question as posed is restated to:

Provide, in detail, the methodology of all tests used to determine cost-effectiveness of energy efficiency opportunities for the proposed 2014/15/2015/16 programs.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

MKO and the Coaliton cannot determine a position "...on the reasonableness of and justification for, Manitoba Hydro 's projected DSM expenditures during the test years." in the absence of a detailed comparison of those projections with historical performance.

It is important to understand both past and current assumptions about savings estimates in order to do that. It is not our intention to criticize or comment on what Hydro did in the past but rather to use those data to inform our analyses of the proposed savings.

The request is germane and appropriate to that end and in scope.

We would ask that the rephrased question be answered.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-8bi-iii

Section:	Appendix 8.1	Page No.:	i
Topic:	Cost-effectiveness		
Subtopic:	Estimated electric savings		
Issue:	Sufficiency of proposed savings		

PREAMBLE TO IR (IF ANY):

Manitoba Hydro reports that the electric portfolio has a TRC of 2.2, which would suggest that ample cost-effective savings in addition to those proposed are available.

QUESTION:

Provide the assumptions and values used for each test, and if not the same for each test indicate which assumptions are used in each, including:

- i. Avoided costs by year (indicate whether they are in real or nominal dollars)
 1. avoided energy costs (by year)
 2. avoided capacity costs (by year)
 3. avoided transmission and distribution system costs (by year)
 4. non-energy benefits adders (if used)
 5. price suppression effects (by year – if used)
 6. risk mitigating benefits of efficiency
 7. energy line loss factor (please explain if Ameren assumed an average line loss or a marginal line loss factor)
 8. peak line loss factor (please explain if Ameren assumed an average line loss or a marginal line loss factor at peak)
 9. avoided carbon emissions
 10. other avoided environmental compliance costs
- ii. The discount rate used (indicate whether it is in real or nominal dollars)
- iii. Assumed inflation rate

RATIONALE FOR QUESTION:

Additional cost-effective opportunities could reduce consumer bills and defer growth-based infrastructure improvements, potentially at a much lower cost to ratepayers.

RESPONSE:

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RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE OF MKO/COALITION:

This question goes directly to a test of cost effectiveness which is a central element of any rate setting process.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

MKO and the Coalition cannot determine a position "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." in the absence of a detailed comparison of those projections with historical performance.

It is important to understand both past and current assumptions about savings estimates in order to do that. It is not our intention to criticize or comment on what Hydro did in the past but rather to use those data to inform our analyses of the proposed savings.

The request is germane and appropriate to that end and in scope.

We would ask that the question as posed be answered.

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MKO-COALITION/MH-I-8ci-iii

Section:	Appendix 8.1	Page No.:	i
Topic:	Cost-effectiveness		
Subtopic:	Estimated electric savings		
Issue:	Sufficiency of proposed savings		

PREAMBLE TO IR (IF ANY):

Manitoba Hydro reports that the electric portfolio has a TRC of 2.2, which would suggest that ample cost-effective savings in addition to those proposed are available.

QUESTION:

Provide, in an Excel file, the following inputs used by Manitoba Hydro for cost-effectiveness screening of its 2014/15-2028/29 programs:

- i. For each measure or measure bundle in each program:
 - ii. Average per unit kWh savings
 1. Average per unit peak kW savings
 2. Average per unit savings of gas and/or other fuels
 3. Any other per unit savings assumptions (e.g. water savings)
 4. Average per unit measure costs
 5. Average measure life
 6. Number of participants by year
 7. Net-to-gross assumptions
 8. Any other assumptions used in screening
 - iii. For each program:
 1. Total non-incentive costs

RATIONALE FOR QUESTION:

Additional cost-effective opportunities could reduce consumer bills and defer growth-based infrastructure improvements, potentially at a much lower cost to ratepayers.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

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This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE OF MKO/COALITION:

This question goes directly to a test of cost effectiveness which is a central element of any rate setting process.

The question as posed is restated to:

Provide, in detail, the methodology of all tests used to determine cost-effectiveness of energy efficiency opportunities for the proposed 2014/15/2015/16 programs.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

MKO and the Coaliton cannot determine a position "...on the reasonableness of and justification for, Manitoba Hydro 's projected DSM expenditures during the test years." in the absence of a detailed comparison of those projections with historical performance.

It is important to understand both past and current assumptions about savings estimates in order to do that. It is not our intention to criticize or comment on what Hydro did in the past but rather to use those data to inform our analyses of the proposed savings.

The request is germane and appropriate to that end and in scope.

We would ask that the rephrased question be answered.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-8d

Section:	Appendix 8.1	Page No.:	i
Topic:	Cost-effectiveness		
Subtopic:	Estimated electric savings		
Issue:	Sufficiency of proposed savings		

PREAMBLE TO IR (IF ANY):

Manitoba Hydro reports that the electric portfolio has a TRC of 2.2, which would suggest that ample cost-effective savings in addition to those proposed are available.

QUESTION:

Explain the level at which testing is done (portfolio, sector, program, or measure)

RATIONALE FOR QUESTION:

Additional cost-effective opportunities could reduce consumer bills and defer growth-based infrastructure improvements, potentially at a much lower cost to ratepayers.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-8d

RESPONSE OF COALITION:

RESPONSE OF MKO/COALITION:

This question goes directly to a test of cost effectiveness which is a central element of any rate setting process.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

MKO and the Coalition cannot determine a position "...on the reasonableness of and justification for, Manitoba Hydro 's projected DSM expenditures during the test years." in the absence of a detailed comparison of those projections with historical performance.

It is important to understand both past and current assumptions about savings estimates in order to do that. It is not our intention to criticize or comment on what Hydro did in the past but rather to use those data to inform our analyses of the proposed savings.

The request is germane and appropriate to that end and in scope.

We would ask that the question as posed be answered.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-8e

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

Explain the level at which testing is done (portfolio, sector, program, or measure)

QUESTION:

If more than one test is used to determine cost-effectiveness, how are the results of the different tests compared and used to determine whether a program or portfolio meets the cost-effectiveness requirements?

RATIONALE FOR QUESTION:

Additional cost-effective opportunities could reduce consumer bills and defer growth-based infrastructure improvements, potentially at a much lower cost to ratepayers.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-8e

RESPONSE OF MKO/COALITION:

This question goes directly to a test of cost effectiveness which is a central element of any rate setting process.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

MKO and the Coalition cannot determine a position "...on the reasonableness of and justification for, Manitoba Hydro 's projected DSM expenditures during the test years." in the absence of a detailed comparison of those projections with historical performance.

It is important to understand both past and current assumptions about savings estimates in order to do that. It is not our intention to criticize or comment on what Hydro did in the past but rather to use those data to inform our analyses of the proposed savings.

The request is germane and appropriate to that end and in scope.

We would ask that the question as posed be answered.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-8f

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

If more than one test is used to determine cost-effectiveness, how are the results of the different tests compared and used to determine whether a program or portfolio meets the cost-effectiveness requirements?

QUESTION:

Explain, in detail, the process by which Manitoba Hydro determined not to pursue additional cost-effective savings for its customers for the 2014/15-2028/29 time frame?

RATIONALE FOR QUESTION:

Additional cost-effective opportunities could reduce consumer bills and defer growth-based infrastructure improvements, potentially at a much lower cost to ratepayers.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-8f

RESPONSE OF MKO/COALITION:

This question goes directly to a test of cost effectiveness which is a central element of any rate setting process.

The question as posed is restated to:

Explain, in detail, the process by which Manitoba Hydro determined not to pursue additional cost-effective savings for its customers for the 2014/15-2016/17 time frame?

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

MKO and the Coalition cannot determine a position "...on the reasonableness of and justification for, Manitoba Hydro 's projected DSM expenditures during the test years." in the absence of a detailed comparison of those projections with historical performance.

It is important to understand both past and current assumptions about savings estimates in order to do that. It is not our intention to criticize or comment on what Hydro did in the past but rather to use those data to inform our analyses of the proposed savings.

The request is germane and appropriate to that end and in scope.

We would ask that the rephrased question be answered.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-10a-c

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

In determining the potential for Manitoba Hydro to improve savings, assumptions about the existing baseline levels of efficiency of customers are required.

QUESTION:

Provide any baseline studies regarding customer energy efficiency that have been conducted in the past five years, including the following :

- a) Appliance saturation surveys that show the typical levels of appliance efficiency in customers' homes and businesses, including any crosstab information showing these data by income or other demographic information, region, building type, etc.;
- b) Studies that show the saturation of electric heat and hot water in customers' homes, including the type of system (electric resistance, furnace, heat pump, etc) and any crosstab information showing these data by income or other demographic information, region, building type, etc.;
- c) Studies that show information on the efficiency of customers' homes, including data on average age of homes, insulation levels, air tightness levels, heating system type and average efficiency, etc.;

RATIONALE FOR QUESTION:

Understanding Manitoba Hydro's baseline assumptions is necessary to determine the appropriateness of their Power Smart plan.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-10a-c

and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE OF MKO/COALITION:

This question goes directly to a test of cost effectiveness which is a central element of any rate setting process.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

MKO and the Coalition cannot determine a position “...on the reasonableness of and justification for, Manitoba Hydro ‘s projected DSM expenditures during the test years.” in the absence of a detailed comparison of those projections with historical performance.

It is important to understand both past and current assumptions about savings estimates in order to do that. It is not our intention to criticize or comment on what Hydro did in the past but rather to use those data to inform our analyses of the proposed savings.

The request is germane and appropriate to that end and in scope.

We would ask that the question as posed be answered.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-11a-d

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

Manitoba Hydro indicates its estimate of cumulative participation in the table on p.9, but does not indicate the size of the eligible market.

QUESTION:

For each program in the table « Program Duration and Cumulative Participation » on p.9, provide the following :

- a) Incremental annual participation by year, both historical and projected for 2014/15-2028/29;
- b) The estimated size of the eligible market;
- c) Explanation of how the eligible market is defined.
- d) The fraction of the eligible market that the annual participation estimates represent.

RATIONALE FOR QUESTION:

In order to assess the likelihood of cost-effective opportunities beyond those proposed by Manitoba Hydro it is necessary to know the size of the potential participant pool.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-11a-d

information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

As per the PUB's direction in Order 18/15, in responding to this IR Manitoba Hydro will provide information on projected DSM expenditures that is available for the test years.

RESPONSE OF MKO/COALITION:

In order to assess the likelihood of cost-effective opportunities beyond those proposed by Manitoba Hydro it is necessary to know the size of the potential participant pool. The Corporation's analysis out to 2029 provide important insight into that pool.

MH is proposing a significant increase in DSM spending relative to previous financial projections and the previous GRA. This will have a direct impact on the revenue requirement in both the test years and beyond.

MKO and the Coaliton cannot determine a position "...on the reasonableness of and justification for, Manitoba Hydro 's projected DSM expenditures during the test years." in the absence of a detailed comparison of those projections with historical performance.

It is important to understand both past and current assumptions about savings estimates in order to do that. It is not our intention to criticize or comment on what Hydro did in the past but rather to use those data to inform our analyses of the proposed savings.

The request is germane and appropriate to that end and in scope.

We would ask that the question be answered as posed.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-12

Section:

Topic:

Subtopic:

Issue:

PREAMBLE TO IR (IF ANY):

Manitoba Hydro shows a cumulative utility cost of \$34.1 million, but does not explain what this budget is for.

QUESTION:

Explain the components of the conservation rate budget, the implementation of the program, and the expected benefits that will accrue to the ratepayers from this utility investment.

RATIONALE FOR QUESTION:

It is unclear why this line item budget for conservation rates is included as a DSM utility investment.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years, that are beyond the scope identified by the PUB with respect to DSM matters.

Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MKO-COALITION/MH-I-12

RESPONSE OF MKO/COALITION:

The question is withdrawn on the understanding it will be addressed at a later proceeding.



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March 10, 2015

REFERENCE NO:

122956-0007

PLEASE REPLY TO:

D. Tomas Masi

DIRECT LINE:

204-977-0321

EMAIL:

tmasi@darcydeacon.com

Public Utilities Board
400 – 330 Portage Avenue
Winnipeg, MB R3C 0C4

Attention: Darren Christle, Executive Director and Secretary

Dear Mr. Christle:

Re: Manitoba Hydro 2014/15 and 2015/16 GRA

LEGAL ASSISTANT:

Lauren Binne

DIRECT LINE:

204-975-2555

EMAIL:

lbinne@darcydeacon.com

Please find attached the reply of the Manitoba Métis Federation (“MMF”) to the specific objections raised by Manitoba Hydro in connection with some of the Information Requests submitted by MMF. As directed by the Board, MMF’s reply to Manitoba Hydro’s objections has been included in the body of each disputed Information Request. MMF seeks a determination from the Board as to whether Manitoba Hydro ought to provide the information sought.

MMF is of the position that the Information Requests disputed by Manitoba Hydro are relevant, significant and within the scope of the present GRA hearing. In addition, MMF contends that the information requested is vital to the intervention to be conducted by MMF in this proceeding as directed by the Board; namely to review the proposed rate impacts on the following customer groups: rural customers, low-income customers, all-electric customers; and small-to-medium businesses.

In the brief time it has had to date, MMF has made attempts to discuss Manitoba Hydro’s concerns regarding the impugned Information Requests with Manitoba Hydro. MMF provided Manitoba Hydro with a draft comprehensive response yesterday afternoon in order to facilitate a settlement. Unfortunately, Manitoba Hydro advises that it does not have enough time to fully and properly consider MMF’s draft response and answer the non-contentious Information Requests in accordance with the established timelines. As a result, it was agreed that MMF would submit its formal response to the PUB for adjudication.

In order to facilitate the process, MMF has agreed to accept Manitoba Hydro’s “alternative proposed response” with respect to a number of the contested Information Requests as enumerated below (subject of course to reviewing and considering the adequacy of the answer provided by Manitoba Hydro):

BRANCH OFFICE - CALGARY



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- MMF/MH-I-45a;
- MMF/MH-I-50a-m;
- MMF/MH-I-51a-b;
- MMF/MH-I-52;
- MMF/MH-I-55; and
- MMF/MH-I-56a-c.

Accordingly, MMF seeks an Order from the Board requiring Manitoba Hydro to respond to the information requested in the attached Information Requests. If you require any further amplification with respect to the above request, please contact the writer at your convenience.

Yours truly,

D'ARCY & DEACON LLP

Per:

A handwritten signature in black ink, appearing to be 'D. Tomas Masi', written in a cursive style.

D. Tomas Masi

TM / lb

March 9, 2015

**Response of Manitoba Métis Federation (“MMF”) regarding
Manitoba Hydro’s refusal to answer DSM related Information Requests**

A. Scope of DSM in this GRA

Manitoba Hydro has provided a boilerplate response as its rationale for refusing to answer a number of the Information Requests submitted by MMF relating to the topic of DSM. The impugned Information Requests submitted by MMF that Manitoba Hydro has provided the aforementioned boilerplate response to include the following:

- MMF/MH-I-16a-d;
- MMF/MH-I-17a-i;
- MMF/MH-I-18a-b;
- MMF/MH-I-19a-h;
- MMF/MH-I-20a-n;
- MMF/MH-I-21
- MMF/MH-I-22a-b;
- MMF/MH-I-23a-b;
- MMF/MH-I-27;
- MMF/MH-I-32;
- MMF/MH-I-35a-d;
- MMF/MH-I-39a-c; and
- MMF/MH-I-40a-j. (Although Manitoba Hydro has provided its boilerplate DSM response to these questions, these questions are not related to DSM matters but rather are questions relating to rate impact).

As a consequence of Manitoba Hydro providing the same exact rationale for refusing to answer the aforementioned Information Requests, MMF feels it is not only appropriate but more efficient and effective to respond with a single comprehensive response to Manitoba Hydro’s refusal to answer the aforementioned DSM related Information Requests.

The reason Manitoba Hydro has refused to answer the aforesaid Information Requests relating to the topic of DSM is essentially because it contends that information relating to DSM targets and measures are beyond the scope identified by the Board with respect to the topic of DSM by way of its Order 18/15.

Upon a review of the Board’s Order 18/15, it is clear that the topic of DSM is within the scope of this GRA wherein the Board states, in connection with GAC’s intervention, that it “intends to focus its review on the reasonableness of, and justification for, Manitoba Hydro’s projected DSM expenditures during the test years” (pg. 20 of 32).

The fact that the topic of DSM is within the scope of this GRA is further evident as a result of the Board’s decision approving MIPUG’s intervention in the GRA (at pg. 21 of

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Order 18/15) which includes a “review of demand-side management on the impact on large ratepayers” (at pg. 8 of Order 18/15) and the Board’s decision approving MKO to intervene on “Bill Reduction issues for MKO members through DSM initiatives” (at pg. 21 of Order 18/15). Finally, Manitoba Hydro itself has confirmed that its Current DSM Plan (2014-2029) and DSM Cost Estimate (2014-2029) are relevant in-scope issues for this GRA (See Manitoba Hydro’s Preliminary Issues List, dated January 30, 2012, Draft #2).

With respect to the allegation by Manitoba Hydro that DSM targets and measures are out of scope, as noted by MIPUG in its comprehensive DSM response dated February 5, 2015, Manitoba Hydro appears to be relying on comments made by the Board relating to the intervention sought by GAC at page 20 of Order 18/15 where the Board states: “...As such, the proposed evidence by Mr. Chernick on DSM targets and specific measures to achieve the targets, including fuel switching initiatives, is not approved for this GRA.” Contrary to Manitoba Hydro’s position, MMF respectfully submits that the aforesaid decision by the Board does not preclude Information Requests related to “targets and measures” of DSM but rather simply restrains the proposed evidence of Mr. Chernick in this GRA.

This is a logical conclusion given the fact that targets and measures are undoubtedly relevant and material to the reasonableness of DSM expenditures. Expenditures may be reasonable or not depending on the target of the expenditure and the measures on which expenditures are made. For example, from a low-income ratepayer’s perspective, expenditures on financing and appliance standards may be seen as unreasonable and not justified because appliance standards add to consumer first costs for appliances while financing is not generally available to low-income consumers to help afford this cost. Similarly, targets and measures that do not address electric heating may be seen as supporting expenditures that are unreasonable and not justified from the standpoint of rural and all-electric customers.

Manitoba Hydro also challenges certain Information Requests submitted by MMF related to the topic of DSM on the basis that they request or relate to information outside of the test years and are therefore out of scope. Manitoba Hydro, however, fails to recognize that the reasonableness of Manitoba Hydro’s proposals for the test years depends in part on comparison with historical performance and assumptions. Information with respect to years other than the test years is thus relevant to testing the reasonableness of test year proposals, in part by showing past trends. Further and in addition to the aforementioned, MMF is of the position that its Information Requests are within the scope of these proceedings in that they comply with Manitoba Hydro’s proposed scope of DSM for this hearing which includes a review of its Current DSM Plan (2014-2029) and DSM Cost Estimate (2014-2029) (see Manitoba Hydro – Preliminary Issues List Draft #2 at pg.2). Specifically, MMF’s DSM related Information Requests relate to the in-scope category labeled by Manitoba Hydro as “review of contextual information to support rate determination in fiscal years under consideration” (see Manitoba Hydro – Preliminary Issues List Draft #2 at pg.2).

March 9, 2015

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B. Scope of MMF in this GRA

The Board has qualified MMF as an intervener in this GRA and found that "...the MMF, as an association advancing the interests of the Métis people, can offer a unique perspective with respect to rate impacts on rural ratepayers, many of whom use electricity for space heat (including lower income consumers) as well as small-to-medium businesses that are not expressly represented by the Consumer Coalition" (Order 18/15 at pg. 23). The Board determined that MMF's intervention in this GRA is to review the proposed rate impacts on the following customer groups (Order 18/15 at pg. 24):

- Rural customers;
- Low-income customers;
- All-electric customers; and
- Small-to-medium businesses (which may include customers in the General Service Small and General Service Medium rate classes).

In terms of rate impact being the required focus of MMF in this GRA, the Board has in the past noted the importance of using DSM as a tool to mitigate the impact of higher rates for ratepayers:

"For consumers, DSM is attractive as it can lower their total consumption of energy, which mitigates the impact of higher rates. Consumers who fully avail themselves of DSM measures have the potential to lower their total energy bill even as rates increase." (NFAT Final Report at pg. 21).

That being said, the Board has also noted that:

"DSM program spending and benefits have different impacts on customers as some customers participate to varying degrees in the DSM programs while other customers do not participate at all." (NFAT Final Report at pg.83).

In that vein, the Board has set the scope of the instant proceeding to include "the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years" (Order 18/15 at pg. 20). The Board validated the obvious association between rate impact and DSM when it approved MKO's intervention in this proceeding as including Bill Reduction issues for MKO members through DSM initiatives providing said intervention focuses on the reasonableness of, and justification for, Manitoba Hydro's projected DSM expenditures during the test years". Accordingly, it is MMF's position that its intervention in this proceeding includes the ability to review DSM as it relates to rate impact on the customer groups it is representing (namely rural customers, low-income customers, all-electric customers, and small-to-medium businesses).

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C. Significance of MMF's DSM related Information Requests to this GRA

It is clear that one of the driving forces behind the rate increase requested by Manitoba Hydro is the dramatic increase in DSM investment planned by Manitoba Hydro over the next 15 years in the amount of \$978 million dollars (Appendix 8.1 at pg. 31). Manitoba Hydro expressly states in its application that revenues from the proposed rate increase will be utilized, in part, to fund Power Smart programs (Tab 2 at pg. 49).

In light of the above, MMF's Information Requests relating to DSM are aimed at determining to what extent the increased investment in DSM will have on rates, particularly relating to the customers represented by MMF.

D. Effort

MMF made a concerted effort to formulate its Information Requests in such a manner so as to not cause Manitoba Hydro to be unduly burdened and/or require Manitoba Hydro to expend a significant amount of effort in terms of providing the required responses. Further, Manitoba Hydro has not expressly taken the position that it requires more than a reasonable amount of effort to provide responses to said Information Requests.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-16a-d

Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM measures		

PREAMBLE TO IR (IF ANY):

The Board has often noted the importance of DSM in mitigating rate increase impacts on the specific customer segments of rural, all-electric, low-income, First Nations, renters, and small/medium business.

QUESTION:

In an Excel spreadsheet, list each (i) residential and (ii) small and medium business electric measure implemented, by year for each of the last five years and for the next projected two years, including for each year:

- a) Number of installations.
- b) Annual and lifetime savings per installation (kwh, kw, and \$, and % reductions of each).
- c) Percentage reduction of average bill per installation (kwh, kw, and \$, and % reductions of each).
- d) Co-payment (customer portion of expenditure) requirement.

RATIONALE FOR QUESTION:

To learn the specific DSM measures that are, and are not, employed in the Power Smart programs, and the achievements thereof.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-16a-d**

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

Please see document titled "Response of MMF regarding Manitoba Hydro's refusal to answer DSM related Information Requests", dated March 9, 2015. In addition to said response and further to the rationale listed herein, the purpose of this information request is to determine DSM measures implemented by Manitoba Hydro and its corresponding impact through bill savings and co-payments on residential ratepayers and small and medium businesses.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-17a

Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on certain customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM measures; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern for mitigation of rate increases, by means of DSM and other means, for certain segments of the Province, including rural, all-electric, and remote customers, as well as tenants. In particular the Board has expressed concern for low income, victims of energy poverty, and First Nations customers and called for increased efforts to their benefit. E.g., Order 5/12 at 162-166.

QUESTION:

In an Excel spreadsheet, list each residential electric measure implemented, by year for each of the last five years and for the next projected two years, including for each year, separately stated for:

- a) Dwellings occupied by Low-income households;

RATIONALE FOR QUESTION:

To learn the specific DSM measures that are, and are not, employed in the Power Smart programs, in specific areas and for specific categories of households.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-17a**

rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on low-income customers.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-17b

Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on certain customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM measures; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern for mitigation of rate increases, by means of DSM and other means, for certain segments of the Province, including rural, all-electric, and remote customers, as well as tenants. In particular the Board has expressed concern for low income, victims of energy poverty, and First Nations customers and called for increased efforts to their benefit. E.g., Order 5/12 at 162-166.

QUESTION:

In an Excel spreadsheet, list each residential electric measure implemented, by year for each of the last five years and for the next projected two years, including for each year, separately stated for:

- b) Dwellings occupied by First Nations households;

RATIONALE FOR QUESTION:

To learn the specific DSM measures that are, and are not, employed in the Power Smart programs, in specific areas and for specific categories of households.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on First Nations customers.



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Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on certain customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM measures; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern for mitigation of rate increases, by means of DSM and other means, for certain segments of the Province, including rural, all-electric, and remote customers, as well as tenants. In particular the Board has expressed concern for low income, victims of energy poverty, and First Nations customers and called for increased efforts to their benefit. E.g., Order 5/12 at 162-166.

QUESTION:

In an Excel spreadsheet, list each residential electric measure implemented, by year for each of the last five years and for the next projected two years, including for each year, separately stated for:

c) Dwellings in northern Manitoba

RATIONALE FOR QUESTION:

To learn the specific DSM measures that are, and are not, employed in the Power Smart programs, in specific areas and for specific categories of households.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on rural northern Manitoba customers.



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Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on certain customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM measures; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern for mitigation of rate increases, by means of DSM and other means, for certain segments of the Province, including rural, all-electric, and remote customers, as well as tenants. In particular the Board has expressed concern for low income, victims of energy poverty, and First Nations customers and called for increased efforts to their benefit. E.g., Order 5/12 at 162-166.

QUESTION:

In an Excel spreadsheet, list each residential electric measure implemented, by year for each of the last five years and for the next projected two years, including for each year, separately stated for:

d) Dwellings in rural areas of Manitoba (defined as areas of no natural gas availability);

RATIONALE FOR QUESTION:

To learn the specific DSM measures that are, and are not, employed in the Power Smart programs, in specific areas and for specific categories of households.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on rural customers.



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Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on certain customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM measures; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern for mitigation of rate increases, by means of DSM and other means, for certain segments of the Province, including rural, all-electric, and remote customers, as well as tenants. In particular the Board has expressed concern for low income, victims of energy poverty, and First Nations customers and called for increased efforts to their benefit. E.g., Order 5/12 at 162-166.

QUESTION:

In an Excel spreadsheet, list each residential electric measure implemented, by year for each of the last five years and for the next projected two years, including for each year, separately stated for:

e) Dwellings that are all-electric;

RATIONALE FOR QUESTION:

To learn the specific DSM measures that are, and are not, employed in the Power Smart programs, in specific areas and for specific categories of households.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on all-electric customers.



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MMF/MH-I-17f

Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on certain customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM measures; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern for mitigation of rate increases, by means of DSM and other means, for certain segments of the Province, including rural, all-electric, and remote customers, as well as tenants. In particular the Board has expressed concern for low income, victims of energy poverty, and First Nations customers and called for increased efforts to their benefit. E.g., Order 5/12 at 162-166.

QUESTION:

In an Excel spreadsheet, list each residential electric measure implemented, by year for each of the last five years and for the next projected two years, including for each year, separately stated for:

f) Dwellings in Winnipeg;

RATIONALE FOR QUESTION:

To learn the specific DSM measures that are, and are not, employed in the Power Smart programs, in specific areas and for specific categories of households.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on low-income, rural, and all-electric customers, as compared to Winnipeg customers.



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Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on certain customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM measures; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern for mitigation of rate increases, by means of DSM and other means, for certain segments of the Province, including rural, all-electric, and remote customers, as well as tenants. In particular the Board has expressed concern for low income, victims of energy poverty, and First Nations customers and called for increased efforts to their benefit. E.g., Order 5/12 at 162-166.

QUESTION:

In an Excel spreadsheet, list each residential electric measure implemented, by year for each of the last five years and for the next projected two years, including for each year, separately stated for:

- g) All residential dwellings,

RATIONALE FOR QUESTION:

To learn the specific DSM measures that are, and are not, employed in the Power Smart programs, in specific areas and for specific categories of households.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on low-income, rural, and all-electric customers, as compared to residential customers in general.



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Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on certain customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM measures; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern for mitigation of rate increases, by means of DSM and other means, for certain segments of the Province, including rural, all-electric, and remote customers, as well as tenants. In particular the Board has expressed concern for low income, victims of energy poverty, and First Nations customers and called for increased efforts to their benefit. E.g., Order 5/12 at 162-166.

QUESTION:

In an Excel spreadsheet, list each residential electric measure implemented, by year for each of the last five years and for the next projected two years, including for each year, separately stated for:

h) Renters among each of the foregoing categories, and

RATIONALE FOR QUESTION:

To learn the specific DSM measures that are, and are not, employed in the Power Smart programs, in specific areas and for specific categories of households.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on low-income customers who are renters. The Board has expressed concern for the lack of focus on renters (See for example, Order 5/12 at pgs. 164-165 or Order 128/09 at pg. 32 – relating to Centra’s DSM programs).



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Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on certain customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM measures; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern for mitigation of rate increases, by means of DSM and other means, for certain segments of the Province, including rural, all-electric, and remote customers, as well as tenants. In particular the Board has expressed concern for low income, victims of energy poverty, and First Nations customers and called for increased efforts to their benefit. E.g., Order 5/12 at 162-166.

QUESTION:

In an Excel spreadsheet, list each residential electric measure implemented, by year for each of the last five years and for the next projected two years, including for each year, separately stated for:

- i) small and medium business.

RATIONALE FOR QUESTION:

To learn the specific DSM measures that are, and are not, employed in the Power Smart programs, in specific areas and for specific categories of households.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on small and medium business customers.



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Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM scale		

PREAMBLE TO IR (IF ANY):

The Board has previously relied, in part, on Mr. Dunsky's survey of other utility DSM efforts, e.g., Order 43/13 at pgs. 41-42, and recommendations for improvements in DSM programs, Order 5/12 at pg. 163.

QUESTION:

Update Mr. Dunsky's survey of percentage of savings by benchmark utilities, compared to MH's. (b) Describe the Company's responses and actions with respect to all of Mr. Dunsky's recommendations.

RATIONALE FOR QUESTION:

To compare the results of MH's DSM efforts, as a percentage reduction to sales, compared to that of other utilities.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests an update of Mr. Dunsky's survey and DSM targets from the last GRA, which is not within the scope of this GRA. At page 20 of Order 18/15, the PUB states that "...the specific details of Manitoba Hydro's DSM targets and specific measures to achieve the targets, including fuel switching initiatives, is not approved for this GRA". The PUB's direction in Order 18/15 was that the review of DSM in this proceeding will focus "...on the reasonableness of, and justification for, Manitoba Hydro's projected DSM expenditures



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during the test years.” In addition, Manitoba Hydro is not in a position to update the expert evidence of a third party consultant, retained by CAC/GAC at the previous GRA.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures by (a) comparing their results to those of benchmark utilities and (b) determining Manitoba Hydro’s response to outside recommendations. Specifically, MMF requests that Manitoba Hydro provide information relating to the reasonableness of its DSM expenditures by providing a table in Excel format that sets out incremental annual energy savings for the latest full year (mWh), domestic energy sales for the same year (mWh), and the resulting savings as a percentage of load (incremental annual energy savings divided by current domestic energy sales) for all electric utilities in each of the following provinces and US states:

- Alabama
- Alaska
- Arizona
- Arkansas
- British Columbia
- California
- Colorado
- Connecticut
- Delaware
- District of Columbia
- Florida
- Georgia
- Hawaii
- Idaho
- Illinois
- Indiana
- Iowa
- Kansas



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- Kentucky
- Maine
- Maryland
- Massachusetts
- Michigan
- Minnesota
- Mississippi
- Missouri
- Montana
- Nebraska
- Nevada
- New Hampshire
- New Jersey
- New Mexico
- New York
- North Carolina
- North Dakota
- Nova Scotia
- Ohio
- Oklahoma
- Ontario
- Oregon
- Pennsylvania
- Quebec
- Rhode Island
- South Carolina
- South Dakota
- Tennessee
- Texas
- Utah
- Vermont
- Washington
- Wisconsin
- Wyoming



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With respect to Manitoba Hydro's refusal to answer this IR on the basis that it is "not in a position to update the expert evidence of a third party consultant, retained by CAC/GAC at the previous GRA", it should be noted that Manitoba Hydro does not state that it does not have the information specifically requested. Based on the aforesaid additional clarification/rephrasing of the IR in question, MMF requires Manitoba Hydro to respond to the IR.



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Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM scale; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed interest in the scale and equity of DSM efforts.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each) for each of the following:

- a) Dwellings occupied by Low-income households;

RATIONALE FOR QUESTION:

To learn of the distribution of MH's DSM efforts, and their results, for specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to



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achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on low income customers.



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Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM scale; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed interest in the scale and equity of DSM efforts.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each) for each of the following:

b) Dwellings occupied by First Nations households;

RATIONALE FOR QUESTION:

To learn of the distribution of MH's DSM efforts, and their results, for specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to



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achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on First Nations customers.



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Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM scale; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed interest in the scale and equity of DSM efforts.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each) for each of the following:

c) Dwellings in northern Manitoba;

RATIONALE FOR QUESTION:

To learn of the distribution of MH's DSM efforts, and their results, for specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to



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achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measure in light of its potential for mitigating the impact of higher rates on rural northern Manitoba customers.



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Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM scale; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed interest in the scale and equity of DSM efforts.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each) for each of the following:

d) Dwellings in rural areas of Manitoba (defined as areas of no natural gas availability);

RATIONALE FOR QUESTION:

To learn of the distribution of MH's DSM efforts, and their results, for specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to



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achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on rural customers.



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Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM scale; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed interest in the scale and equity of DSM efforts.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each) for each of the following:

e) Dwellings that are all-electric;

RATIONALE FOR QUESTION:

To learn of the distribution of MH's DSM efforts, and their results, for specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to



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achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on all-electric customers.



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Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM scale; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed interest in the scale and equity of DSM efforts.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each) for each of the following:

f) Dwellings in Winnipeg,

RATIONALE FOR QUESTION:

To learn of the distribution of MH's DSM efforts, and their results, for specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to



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achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on Winnipeg customers, as compared to low-income, rural and all-electric customers.



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Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM scale; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed interest in the scale and equity of DSM efforts.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each) for each of the following:

g) All residential dwellings, and

RATIONALE FOR QUESTION:

To learn of the distribution of MH's DSM efforts, and their results, for specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to



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achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on residential customers, as compared to low-income, rural, and all-electric customers.



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Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM scale; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed interest in the scale and equity of DSM efforts.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill savings, and percentage reductions of each) for each of the following:

h) small and medium business.

RATIONALE FOR QUESTION:

To learn of the distribution of MH's DSM efforts, and their results, for specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to



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achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro’s DSM measures in light of their potential for mitigating the impact of higher rates on small/medium business customers.



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Section:	Tab 8	Page No.:	Appendix 8.2 at j and pgs. 30-32
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy mitigation strategy; First Nations focus		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province, as well as for the scale of DSM generally.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each) for each of the following programs:

- a) DSM support and cost recovery;

RATIONALE FOR QUESTION:

To determine the targeting and impacts of specific DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of specific Manitoba Hydro DSM measures in light of their potential for mitigating the impact of higher rates on residential and small/medium business customers.



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Section:	Tab 8	Page No.:	Appendix 8.2 at j and pgs. 30-32
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy mitigation strategy; First Nations focus		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province, as well as for the scale of DSM generally.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each) for each of the following programs:

b) Codes and Standards;

RATIONALE FOR QUESTION:

To determine the targeting and impacts of specific DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of specific Manitoba Hydro DSM measures in light of their potential for mitigating the impact of higher rates on residential and small/medium business customers.



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Section:	Tab 8	Page No.:	Appendix 8.2 at j and pgs. 30-32
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy mitigation strategy; First Nations focus		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province, as well as for the scale of DSM generally.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each) for each of the following programs:

c) Incentives: insulation;

RATIONALE FOR QUESTION:

To determine the targeting and impacts of specific DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of a specific Manitoba Hydro DSM measure in light of its potential for mitigating the impact of higher rates on residential and small/medium business customers.



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Section:	Tab 8	Page No.:	Appendix 8.2 at j and pgs. 30-32
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy mitigation strategy; First Nations focus		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province, as well as for the scale of DSM generally.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each) for each of the following programs:

d) Incentives: propane/oil heaters;

RATIONALE FOR QUESTION:

To determine the targeting and impacts of specific DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of specific Manitoba Hydro DSM measures in light of their potential for mitigating the impact of higher rates on residential and small/medium business customers.



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Section:	Tab 8	Page No.:	Appendix 8.2 at j and pgs. 30-32
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy mitigation strategy; First Nations focus		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province, as well as for the scale of DSM generally.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each) for each of the following programs:

e) Incentives: electric heaters;

RATIONALE FOR QUESTION:

To determine the targeting and impacts of specific DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have



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been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of a specific Manitoba Hydro DSM measure in light of its potential for mitigating the impact of higher rates on residential and small/medium business customers.



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Section:	Tab 8	Page No.:	Appendix 8.2 at j and pgs. 30-32
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy mitigation strategy; First Nations focus		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province, as well as for the scale of DSM generally.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each) for each of the following programs:

f) Incentives: Free water kits;

RATIONALE FOR QUESTION:

To determine the targeting and impacts of specific DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of a specific Manitoba Hydro DSM measure in light of its potential for mitigating the impact of higher rates on residential and small/medium business customers.



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Section:	Tab 8	Page No.:	Appendix 8.2 at j and pgs. 30-32
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy mitigation strategy; First Nations focus		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province, as well as for the scale of DSM generally.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each) for each of the following programs:

g) Incentives: Refrigerators (\$40);

RATIONALE FOR QUESTION:

To determine the targeting and impacts of specific DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of a specific Manitoba Hydro DSM measure in light of its potential for mitigating the impact of higher rates on residential and small/medium business customers.



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Section:	Tab 8	Page No.:	Appendix 8.2 at j and pgs. 30-32
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy mitigation strategy; First Nations focus		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province, as well as for the scale of DSM generally.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each) for each of the following programs:

h) Affordable Energy: insulation;

RATIONALE FOR QUESTION:

To determine the targeting and impacts of specific DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of a specific Manitoba Hydro DSM program measure in light of its potential for mitigating the impact of higher rates on residential and small/medium business customers.



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Section:	Tab 8	Page No.:	Appendix 8.2 at j and pgs. 30-32
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy mitigation strategy; First Nations focus		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province, as well as for the scale of DSM generally.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each) for each of the following programs:

- i) Affordable Energy: low/no-cost measures;

RATIONALE FOR QUESTION:

To determine the targeting and impacts of specific DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of specific Manitoba Hydro DSM program measures in light of their potential for mitigating the impact of higher rates on residential and small/medium business customers.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-20j

Section:	Tab 8	Page No.:	Appendix 8.2 at j and pgs. 30-32
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy mitigation strategy; First Nations focus		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province, as well as for the scale of DSM generally.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each) for each of the following programs:

j) Affordable Energy: other measures;

RATIONALE FOR QUESTION:

To determine the targeting and impacts of specific DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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MMF/MH-I-20j**

rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of specific Manitoba Hydro DSM program measures in light of their potential for mitigating the impact of higher rates on residential and small/medium business customers.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-20k

Section:	Tab 8	Page No.:	Appendix 8.2 at j and pgs. 30-32
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy mitigation strategy; First Nations focus		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province, as well as for the scale of DSM generally.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each) for each of the following programs:

k) First Nations Power Smart: insulation;

RATIONALE FOR QUESTION:

To determine the targeting and impacts of specific DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-20k**

rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of a specific Manitoba Hydro DSM program measure in light of its potential for mitigating the impact of higher rates on residential and small/medium business customers.



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-201**

Section:	Tab 8	Page No.:	Appendix 8.2 at j and pgs. 30-32
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy mitigation strategy; First Nations focus		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province, as well as for the scale of DSM generally.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each) for each of the following programs:

- 1) First Nations Power Smart: low/no-cost measures;

RATIONALE FOR QUESTION:

To determine the targeting and impacts of specific DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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MMF/MH-I-201**

rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of specific Manitoba Hydro DSM program measures in light of their potential for mitigating the impact of higher rates on residential and small/medium business customers.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-20m

Section:	Tab 8	Page No.:	Appendix 8.2 at j and pgs. 30-32
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy mitigation strategy; First Nations focus		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province, as well as for the scale of DSM generally.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each) for each of the following programs:

m) First Nations Power Smart: other measures; and

RATIONALE FOR QUESTION:

To determine the targeting and impacts of specific DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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MMF/MH-I-20m**

rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of specific Manitoba Hydro DSM program measures in light of their potential for mitigating the impact of higher rates on residential and small/medium business customers.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-20n

Section:	Tab 8	Page No.:	Appendix 8.2 at j and pgs. 30-32
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy mitigation strategy; First Nations focus		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province, as well as for the scale of DSM generally.

QUESTION:

In an Excel spreadsheet, by year for each of the last five years and for the next projected two years, state for each year the (i) residential and (ii) small and medium business electric DSM plan/budget, actual expenditure, number of houses treated, total annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each), per dwelling annual and lifetime savings (kwh, kw, and bill reductions, and percentage reductions of each) for each of the following programs:

n) CFL program.

RATIONALE FOR QUESTION:

To determine the targeting and impacts of specific DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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MMF/MH-I-20n**

rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of a specific Manitoba Hydro DSM program in light of its potential for mitigating the impact of higher rates on residential and small/medium business customers.



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-21**

Section:	Tab 8	Page No.:	Appendix 8.2 at pg. 20 et seq.
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province, as well as for the effectiveness of DSM generally.

QUESTION:

Confirm that the electric DSM Support and Cost Recovery programs provide only information and financing. If more is provided, describe in detail.

RATIONALE FOR QUESTION:

To determine the content of specific DSM programs.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-21**

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

Please see document titled "Response of MMF regarding Manitoba Hydro's refusal to answer DSM related Information Requests", dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of specific Manitoba Hydro DSM measures in light of their potential for mitigating the impact of higher rates on low-income customers, given that it apparently provides only information and requires financing.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-22a-b

Section:	Tab 8	Page No.:	Appendix 8.2 at 28
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM programs; DSM equity		

PREAMBLE TO IR (IF ANY):

The Board has expressed concern about the availability and impact of DSM for certain segments of the Province.

QUESTION:

Provide all documentation concerning the impact of the electric Codes and Standards program on:

- a) the first cost of items to which the program applies; and
- b) the ability of low-income customers to afford items to which the program applies.

RATIONALE FOR QUESTION:

To determine the impact of a Company DSM program on specific customer segments.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-22a-b**

Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of a specific Manitoba Hydro DSM measure in light of its potential for mitigating the impact of higher rates on low-income customers, given its first cost.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-23a

Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM programs; DSM measures		

PREAMBLE TO IR (IF ANY):

The Board has expressed interest in the effectiveness and cost-effectiveness of MH's DSM programs.

QUESTION:

Describe in detail the CFL program, including level of rebates and final cost to consumers.

RATIONALE FOR QUESTION:

To determine the details of MH's program to install CFL lighting, as well as to test the comparison between CFL and LED lighting.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-23a**

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

Please see document titled "Response of MMF regarding Manitoba Hydro's refusal to answer DSM related Information Requests", dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of a specific Manitoba Hydro DSM program in light of its potential for mitigating the impact of higher rates on low-income customers, given, for example, its first cost to customers.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-23b

Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM programs; DSM measures		

PREAMBLE TO IR (IF ANY):

The Board has expressed interest in the effectiveness and cost-effectiveness of MH's DSM programs.

QUESTION:

Describe in detail and provide documentation concerning MH's consideration of promoting LED lamps instead of CFLs.

RATIONALE FOR QUESTION:

To determine the details of MH's program to install CFL lighting, as well as to test the comparison between CFL and LED lighting.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-23b**

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

Please see document titled "Response of MMF regarding Manitoba Hydro's refusal to answer DSM related Information Requests", dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of a specific Manitoba Hydro DSM program measure in light of the potential for a substitute measure to mitigate more effectively the impact of higher rates on low-income customers.



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-27**

Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	DSM marketing; DSM equity		

PREAMBLE TO IR (IF ANY):

There is concern about widespread customer knowledge of MH's DSM programs.

QUESTION:

Provide all electric residential marketing materials used in the last two years, including copies of all printed literature including bill stuffers, outdoor advertising, media advertising (including radio scripts and television storyboards), and printed messages on bills. With respect to each, state the geographic distribution of the material.

RATIONALE FOR QUESTION:

To determine the details and geographic reach of MH's marketing efforts.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-27**

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

Please see document titled "Response of MMF regarding Manitoba Hydro's refusal to answer DSM related Information Requests", dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reach of DSM marketing, and thus the availability of DSM programs, to rural, low-income, all-electric, and small/medium business customers.



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-32**

Section:	Tab 8	Page No.:	Appendix 8.2
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Energy poverty; Impact on Province		
Issue:	Non-energy benefits		

PREAMBLE TO IR (IF ANY):

The Board has recognized non-energy benefits to Energy Poverty programs (including DSM), including, for example, improvements in health and savings in health care costs, reduced bad debt write-offs, avoided costs of reconnection, and improved customer service (See Order 5/12 at pg. 166).

QUESTION:

Please provide all documentation, including planning and analysis documents, showing MH's assessment of non-energy benefits of DSM and other Energy Poverty programs, including values used (if any) in cost-effectiveness calculations such as Total Resource Cost test for DSM. For purposes of this request, non-energy benefits include, but are not limited to: greenhouse gas emission reductions and other climate change benefits, greater affordability for low-income customers, reduced risks of capital costs and export revenue, increased economic development (including jobs), increased property values, increased comfort, reduced noise, improvements in health and safety and savings in health care costs (including reductions in fires), reduced bad debt write-offs, avoided costs of reconnection, and improved customer service.

RATIONALE FOR QUESTION:

To determine MH's consideration of non-energy benefits in its assessment of DSM and other Energy Poverty programs.

RESPONSE:



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MMF/MH-I-32**

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

Please see document titled "Response of MMF regarding Manitoba Hydro's refusal to answer DSM related Information Requests", dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the impact of Manitoba Hydro's DSM measures on rural, low-income, all-electric, and small/medium business customers.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-35a

Section:	Tab 8	Page No.:	Order 43/13 pgs. 7 and 55 Order 5/12 pg/ 165
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy strategy; Energy poverty		
Issue:	DSM programs		

PREAMBLE TO IR (IF ANY):

In Order 43/13, the Board recommended an independent assessment of the Power Smart Plan (see pgs. 7 and 55). In Order 5/12, the Board expected terms of reference for an external program review of LIEEP and that an independent external review of the AEF (at pg. 165) was warranted.

QUESTION:

Provide the independent assessment of the Power Smart plan, recommended in Order 43/13.

RATIONALE FOR QUESTION:

To obtain the independent assessment of Power Smart Plan, LIEEP, and AEF, and details of consequences of the reviews.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information



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MMF/MH-I-35a**

regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

Please see document titled "Response of MMF regarding Manitoba Hydro's refusal to answer DSM related Information Requests", dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro's DSM measures by reviewing an independent review of Manitoba Hydro's DSM program.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-35b

Section:	Tab 8	Page No.:	Order 43/13 pgs. 7 and 55Order 5/12 pg/ 165
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy strategy; Energy poverty		
Issue:	DSM programs		

PREAMBLE TO IR (IF ANY):

In Order 43/13, the Board recommended an independent assessment of the Power Smart Plan (see pgs. 7 and 55). In Order 5/12, the Board expected terms of reference for an external program review of LIEEP and that an independent external review of the AEF (at pg. 165) was warranted.

QUESTION:

Provide all independent evaluations, impact and/or process of MH's DSM efforts, LIEEP, and AEF.

RATIONALE FOR QUESTION:

To obtain the independent assessment of Power Smart Plan, LIEEP, and AEF, and details of consequences of the reviews.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba



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MMF/MH-I-35b**

Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro DSM measures by reviewing an independent review of Manitoba Hydro’s DSM program.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-35c

Section:	Tab 8	Page No.:	Order 43/13 pgs. 7 and 55 Order 5/12 pg/ 165
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy strategy; Energy poverty		
Issue:	DSM programs		

PREAMBLE TO IR (IF ANY):

In Order 43/13, the Board recommended an independent assessment of the Power Smart Plan (see pgs. 7 and 55). In Order 5/12, the Board expected terms of reference for an external program review of LIEEP and that an independent external review of the AEF (at pg. 165) was warranted.

QUESTION:

Provide the terms of reference for all such evaluations and assessments.

RATIONALE FOR QUESTION:

To obtain the independent assessment of Power Smart Plan, LIEEP, and AEF, and details of consequences of the reviews.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information



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MMF/MH-I-35c**

regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

Please see document titled "Response of MMF regarding Manitoba Hydro's refusal to answer DSM related Information Requests", dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro's DSM measures by reviewing an independent review of Manitoba Hydro's DSM program.



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Section:	Tab 8	Page No.:	Order 43/13 pgs. 7 and 55 Order 5/12 pg/ 165
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy; Affordable Energy strategy; Energy poverty		
Issue:	DSM programs		

PREAMBLE TO IR (IF ANY):

In Order 43/13, the Board recommended an independent assessment of the Power Smart Plan (see pgs. 7 and 55). In Order 5/12, the Board expected terms of reference for an external program review of LIEEP and that an independent external review of the AEF (at pg. 165) was warranted.

QUESTION:

Describe and document all improvements in MH's DSM efforts based on the foregoing.

RATIONALE FOR QUESTION:

To obtain the independent assessment of Power Smart Plan, LIEEP, and AEF, and details of consequences of the reviews.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information



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regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

Please see document titled "Response of MMF regarding Manitoba Hydro's refusal to answer DSM related Information Requests", dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of Manitoba Hydro's DSM measures by determining Manitoba Hydro's response(s) to independent reviews of its DSM program.



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Section:	Tab 10	Page No.:	
Topic:	Rate impacts on specific customer segments		
Subtopic:	DSM mitigation strategy		
Issue:	Funding; Scale		

PREAMBLE TO IR (IF ANY):

MH's proposes to rescind the Board's DSM deferral order requiring maintenance of an account for unexpended ordered DSM on the grounds that it has proposed to increase spending.

QUESTION:

For each of the past 10 years, provide the:

- a) planned;
- b) ordered; and
- c) actual expenditures for:
 - i. all DSM;
 - ii. the Affordable Energy Program;
 - iii. Low income program(s);
 - iv. First Nation programs(s);
 - v. all-electric residential buildings;
 - vi. residential buildings in areas without access to natural gas;
 - vii. residential buildings in North Manitoba;
 - viii. renters; and
 - vix. small and medium business.

RATIONALE FOR QUESTION:

To determine the history of the Board's funding orders and MH's compliance therewith.

RESPONSE:



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The DSM deferral referenced in the preamble to this question applies to the 2012/13 and 2013/14 years only. As such, this response focuses on data for this timeframe only.

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

In Order 18/15, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” Manitoba Hydro will provide information for the 2012/13 and 2013/14 fiscal years as the DSM Deferral Account was established pursuant to Order 43/13 for those two fiscal years, and Manitoba Hydro is seeking approval to rescind the DSM Deferral Account on a go-forward basis.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

Please see document titled “Response of MMF regarding Manitoba Hydro’s refusal to answer DSM related Information Requests”, dated March 9, 2015. In addition to said response and further to the rationale listed herein, the IR in question specifically asks for information with which to test the reasonableness of the proposed DSM expenditures by Manitoba Hydro for the test years on specific customer segments, including rural, low-income, all-electric, First Nations, and small/medium business. The reasonableness of Manitoba Hydro’s DSM expenditures has a direct bearing on whether or not the Board’s DSM deferral order should be rescinded. The basis for the Board’s DSM deferral order, which Manitoba Hydro now seeks to rescind, was to ensure that Manitoba Hydro actually spent the amount it had earmarked for DSM spending in the applicable test years (Order 43/13, see pgs. 5 and 44). Manitoba Hydro’s alleged intention to spend more on DSM programs does not in any way ameliorate the Board’s concern that a minimum threshold amount will actually be spent by Manitoba Hydro on DSM programs.



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Section:	Tab 6	Page No.:	NFAT Final Report, pg. 29
Topic:	Rates		
Subtopic:	Bill Impacts		
Issue:	Equity		

PREAMBLE TO IR (IF ANY):

According to the NFAT Final Report, at pg. 29, rates could double in the period 2013-2032. Increases of this magnitude are particularly harsh for certain segments of the Province.

QUESTION:

In an Excel spreadsheet, list each of the following, by year for each of the last five years and for the next projected two years (including the instant application and approved interim rate increase), including for each year, for each of the categories of residential customers set out below: number of customers, customer charge, usage rate(s), average annual bill by dwelling, percentage change in annual bill by dwelling from the immediately previous year.

The categories are:

- a) Dwellings occupied by Low-income households,

RATIONALE FOR QUESTION:

To determine bill impacts on specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to



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achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

The IR in question is characterized by Manitoba Hydro as related to DSM, which it is not. Rather, it specifically asks for information with which to test proposed rate impacts by determining baseline rates, bills, and billing parameters for low-income customers. Accordingly, Manitoba Hydro’s boilerplate response used for earlier Information Requests submitted by MMF relating to DSM is not at all applicable.



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MMF/MH-I-40b

Section:	Tab 6	Page No.:	NFAT Final Report, pg. 29
Topic:	Rates		
Subtopic:	Bill Impacts		
Issue:	Equity		

PREAMBLE TO IR (IF ANY):

According to the NFAT Final Report, at pg. 29, rates could double in the period 2013-2032. Increases of this magnitude are particularly harsh for certain segments of the Province.

QUESTION:

In an Excel spreadsheet, list each of the following, by year for each of the last five years and for the next projected two years (including the instant application and approved interim rate increase), including for each year, for each of the categories of residential customers set out below: number of customers, customer charge, usage rate(s), average annual bill by dwelling, percentage change in annual bill by dwelling from the immediately previous year.

The categories are:

b) Dwellings occupied by First Nations households,

RATIONALE FOR QUESTION:

To determine bill impacts on specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to



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achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

The IR in question is characterized by Manitoba Hydro as related to DSM, which it is not. Rather, it specifically asks for information with which to test proposed rate impacts by determining baseline rates, bills, and billing parameters for First Nations customers. Accordingly, Manitoba Hydro’s boilerplate response used for earlier Information Requests submitted by MMF relating to DSM is not at all applicable.



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MMF/MH-I-40c

Section:	Tab 6	Page No.:	NFAT Final Report, pg. 29
Topic:	Rates		
Subtopic:	Bill Impacts		
Issue:	Equity		

PREAMBLE TO IR (IF ANY):

According to the NFAT Final Report, at pg. 29, rates could double in the period 2013-2032. Increases of this magnitude are particularly harsh for certain segments of the Province.

QUESTION:

In an Excel spreadsheet, list each of the following, by year for each of the last five years and for the next projected two years (including the instant application and approved interim rate increase), including for each year, for each of the categories of residential customers set out below: number of customers, customer charge, usage rate(s), average annual bill by dwelling, percentage change in annual bill by dwelling from the immediately previous year.

The categories are:

c) Dwellings in northern rural Manitoba,

RATIONALE FOR QUESTION:

To determine bill impacts on specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

The IR in question is characterized by Manitoba Hydro as related to DSM, which it is not. Rather, it specifically asks for information with which to test proposed rate impacts by determining baseline rates, bills, and billing parameters for northern rural Manitoba customers. Accordingly, Manitoba Hydro’s boilerplate response used for earlier Information Requests submitted by MMF relating to DSM is not at all applicable.



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MMF/MH-I-40d

Section:	Tab 6	Page No.:	NFAT Final Report, pg. 29
Topic:	Rates		
Subtopic:	Bill Impacts		
Issue:	Equity		

PREAMBLE TO IR (IF ANY):

According to the NFAT Final Report, at pg. 29, rates could double in the period 2013-2032. Increases of this magnitude are particularly harsh for certain segments of the Province.

QUESTION:

In an Excel spreadsheet, list each of the following, by year for each of the last five years and for the next projected two years (including the instant application and approved interim rate increase), including for each year, for each of the categories of residential customers set out below: number of customers, customer charge, usage rate(s), average annual bill by dwelling, percentage change in annual bill by dwelling from the immediately previous year.

The categories are:

d) Dwellings in rural areas of Manitoba (defined as areas of no natural gas availability),

RATIONALE FOR QUESTION:

To determine bill impacts on specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

The IR in question is characterized by Manitoba Hydro as related to DSM, which it is not. Rather, it specifically asks for information with which to test proposed rate impacts by determining baseline rates, bills, and billing parameters for rural customers. Accordingly, Manitoba Hydro’s boilerplate response used for earlier Information Requests submitted by MMF relating to DSM is not at all applicable.



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MMF/MH-I-40e

Section:	Tab 6	Page No.:	NFAT Final Report, pg. 29
Topic:	Rates		
Subtopic:	Bill Impacts		
Issue:	Equity		

PREAMBLE TO IR (IF ANY):

According to the NFAT Final Report, at pg. 29, rates could double in the period 2013-2032. Increases of this magnitude are particularly harsh for certain segments of the Province.

QUESTION:

In an Excel spreadsheet, list each of the following, by year for each of the last five years and for the next projected two years (including the instant application and approved interim rate increase), including for each year, for each of the categories of residential customers set out below: number of customers, customer charge, usage rate(s), average annual bill by dwelling, percentage change in annual bill by dwelling from the immediately previous year.

The _____ categories _____ are:

e) Dwellings using electricity for heat,

RATIONALE FOR QUESTION:

To determine bill impacts on specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

The IR in question is characterized by Manitoba Hydro as related to DSM, which it is not. Rather, it specifically asks for information with which to test proposed rate impacts by determining baseline rates, bills, and billing parameters for all-electric customers. Accordingly, Manitoba Hydro’s boilerplate response used for earlier Information Requests submitted by MMF relating to DSM is not at all applicable.



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MMF/MH-I-40f

Section:	Tab 6	Page No.:	NFAT Final Report, pg. 29
Topic:	Rates		
Subtopic:	Bill Impacts		
Issue:	Equity		

PREAMBLE TO IR (IF ANY):

According to the NFAT Final Report, at pg. 29, rates could double in the period 2013-2032. Increases of this magnitude are particularly harsh for certain segments of the Province.

QUESTION:

In an Excel spreadsheet, list each of the following, by year for each of the last five years and for the next projected two years (including the instant application and approved interim rate increase), including for each year, for each of the categories of residential customers set out below: number of customers, customer charge, usage rate(s), average annual bill by dwelling, percentage change in annual bill by dwelling from the immediately previous year.

The categories are:

f) Dwellings not using electricity for heat,

RATIONALE FOR QUESTION:

To determine bill impacts on specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have



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been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

The IR in question is characterized by Manitoba Hydro as related to DSM, which it is not. Rather, it specifically asks for information with which to test proposed rate impacts by determining baseline rates, bills, and billing parameters for non-all-electric customers, for comparison with all-electric customers. Accordingly, Manitoba Hydro’s boilerplate response used for earlier Information Requests submitted by MMF relating to DSM is not at all applicable.



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MMF/MH-I-40g

Section:	Tab 6	Page No.:	NFAT Final Report, pg. 29
Topic:	Rates		
Subtopic:	Bill Impacts		
Issue:	Equity		

PREAMBLE TO IR (IF ANY):

According to the NFAT Final Report, at pg. 29, rates could double in the period 2013-2032. Increases of this magnitude are particularly harsh for certain segments of the Province.

QUESTION:

In an Excel spreadsheet, list each of the following, by year for each of the last five years and for the next projected two years (including the instant application and approved interim rate increase), including for each year, for each of the categories of residential customers set out below: number of customers, customer charge, usage rate(s), average annual bill by dwelling, percentage change in annual bill by dwelling from the immediately previous year.

The _____ categories _____ are:

g) Dwellings in Winnipeg,

RATIONALE FOR QUESTION:

To determine bill impacts on specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

The IR in question is characterized by Manitoba Hydro as related to DSM, which it is not. Rather, it specifically asks for information with which to test proposed rate impacts by determining baseline rates, bills, and billing parameters for Winnipeg customers, for comparison with customers outside Winnipeg. Accordingly, Manitoba Hydro’s boilerplate response used for earlier Information Requests submitted by MMF relating to DSM is not at all applicable.



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MMF/MH-I-40h

Section:	Tab 6	Page No.:	NFAT Final Report, pg. 29
Topic:	Rates		
Subtopic:	Bill Impacts		
Issue:	Equity		

PREAMBLE TO IR (IF ANY):

According to the NFAT Final Report, at pg. 29, rates could double in the period 2013-2032. Increases of this magnitude are particularly harsh for certain segments of the Province.

QUESTION:

In an Excel spreadsheet, list each of the following, by year for each of the last five years and for the next projected two years (including the instant application and approved interim rate increase), including for each year, for each of the categories of residential customers set out below: number of customers, customer charge, usage rate(s), average annual bill by dwelling, percentage change in annual bill by dwelling from the immediately previous year.

The _____ categories _____ are:

h) All residential dwellings,

RATIONALE FOR QUESTION:

To determine bill impacts on specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

The IR in question is characterized by Manitoba Hydro as related to DSM, which it is not. Rather, it specifically asks for information with which to test proposed rate impacts by determining baseline rates, bills, and billing parameters for residential customers generally, for comparison with all-electric, rural, and low-income customers. Accordingly, Manitoba Hydro’s boilerplate response used for earlier Information Requests submitted by MMF relating to DSM is not at all applicable.



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Section:	Tab 6	Page No.:	NFAT Final Report, pg. 29
Topic:	Rates		
Subtopic:	Bill Impacts		
Issue:	Equity		

PREAMBLE TO IR (IF ANY):

According to the NFAT Final Report, at pg. 29, rates could double in the period 2013-2032. Increases of this magnitude are particularly harsh for certain segments of the Province.

QUESTION:

In an Excel spreadsheet, list each of the following, by year for each of the last five years and for the next projected two years (including the instant application and approved interim rate increase), including for each year, for each of the categories of residential customers set out below: number of customers, customer charge, usage rate(s), average annual bill by dwelling, percentage change in annual bill by dwelling from the immediately previous year.

The _____ categories _____ are:

- i) Renters among each of the foregoing categories, and

RATIONALE FOR QUESTION:

To determine bill impacts on specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

The IR in question is characterized by Manitoba Hydro as related to DSM, which it is not. Rather, it specifically asks for information with which to test proposed rate impacts by determining baseline rates, bills, and billing parameters for renter customers who are all-electric, rural, or low-income customers. Accordingly, Manitoba Hydro’s boilerplate response used for earlier Information Requests submitted by MMF relating to DSM is not at all applicable.



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Section:	Tab 6	Page No.:	NFAT Final Report, pg. 29
Topic:	Rates		
Subtopic:	Bill Impacts		
Issue:	Equity		

PREAMBLE TO IR (IF ANY):

According to the NFAT Final Report, at pg. 29, rates could double in the period 2013-2032. Increases of this magnitude are particularly harsh for certain segments of the Province.

QUESTION:

In an Excel spreadsheet, list each of the following, by year for each of the last five years and for the next projected two years (including the instant application and approved interim rate increase), including for each year, for each of the categories of residential customers set out below: number of customers, customer charge, usage rate(s), average annual bill by dwelling, percentage change in annual bill by dwelling from the immediately previous year.

The _____ categories _____ are:

j) Small and medium business.

RATIONALE FOR QUESTION:

To determine bill impacts on specific segments of the Province.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically



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rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

RESPONSE TO HYDRO’S REFUSAL TO ANSWER THE QUESTION:

The IR in question is characterized by Manitoba Hydro as related to DSM, which it is not. Rather, it specifically asks for information with which to test proposed rate impacts by determining baseline rates, bills, and billing parameters for small/medium business customers. Accordingly, Manitoba Hydro’s boilerplate response used for earlier Information Requests submitted by MMF relating to DSM is not at all applicable.



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MMF/MH-I-45a

Section:	Tab 6	Page No.:	
Topic:	Rate impacts on specific customer segments		
Subtopic:	Bill impacts		
Issue:	Equity; Arrears		

PREAMBLE TO IR (IF ANY):

Customer arrears may vary by customer segment.

QUESTION:

Please provide by month for January 2012 to present, the data requested below for each of the following customer segments:

- i. all residential,
- ii. low-income,
- iii. First Nations,
- iv. northern Manitoba,
- v. rural (areas without access to natural gas),
- vi. electric-only,
- vii. renters, and
- viii. small and medium business.

a) Provide the aging of arrears by dollar amounts, number of accounts, and percentage of accounts for 30 – 59 days; 60 – 89 days; 90 – 119 days; 120 – 149 days; and 150 days or more, or such other periods as are available;

RATIONALE FOR QUESTION:

To provide information about arrears experience by customer segment.

RESPONSE:



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RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Consistent with information provided at previous GRAs, some of the information requested in this IR is not available, is not maintained by Manitoba Hydro in the manner requested, and/or may disclose personal customer information.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide information that is consistent with its responses to identical IRs in previous GRAs (2010 and 2012 GRA). If the information in this IR has also been requested by other interveners in this proceeding, Manitoba Hydro will answer both IRs in one response.

Notwithstanding the foregoing, Manitoba Hydro has difficulty understanding the relevance of this detailed information to the current GRA, and questions whether or not a collaborative process outside of the current GRA proceeding would be better suited, and more advantageous to all parties, to review this issue, as opposed to the adversarial process of a GRA.

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

In terms of Manitoba Hydro's response indicating it has difficulty understanding the relevance of this IR, the IR in question specifically asks for information with which to test proposed rate impacts by determining arrears already accrued with respect to rural, low-income, all-electric, First Nations, and small/medium business customers. Manitoba Hydro has proposed an alternative response which MMF is willing to accept at the present time, however, MMF reserves its right to ask further questions or take the position that the question has not been adequately answered by Manitoba Hydro dependant upon the answer provided by Manitoba Hydro. Although MMF may be willing to work in a collaborative process with Manitoba Hydro relating to the information requested, MMF still requires an answer to this IR from Manitoba Hydro within the current GRA proceeding.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-49

Section:	Tab 8	Page No.:	Appendix 8.2; Order 5/12 at pg. 166
Topic:	Rate impacts on specific customer segments		
Subtopic:	Bill Assistance; Energy Poverty		
Issue:	Funding		

PREAMBLE TO IR (IF ANY):

The Board has expressed the need for more information concerning existing government funding and programs available to alleviate energy poverty, e.g., Order 5/12 at pg. 166.

QUESTION:

Please provide the information (a) provided to the Board and (b) known to MH but not provided to the Board, concerning existing government funding and programs available to alleviate energy poverty.

RATIONALE FOR QUESTION:

To obtain information concerning existing government funding and programs available to alleviate energy poverty.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested in this IR with respect to Government funding and programs available to alleviate energy poverty is not within the control of Manitoba Hydro.

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

The IR in question specifically asks for information with which to test proposed rate impacts by determining government supports available to low-income customers. The fact that the information is not within Manitoba Hydro's "control" has no bearing on its relevance and



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
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materiality and indeed Manitoba Hydro makes no claim of irrelevance or immateriality, nor could it. The existence and quantification of government supports for Manitoba Hydro's low-income customers has a material impact on those customers' ability to sustain the proposed rate increases without relief and/or mitigation. Manitoba Hydro makes no claim that it is unaware of this information and accordingly MMF requires an answer to this IR from Manitoba Hydro.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-50a-m

Section:	Tab 6	Page No.:	
Topic:	Rate impacts on specific customer segments		
Subtopic:	Bill impacts		
Issue:	Equity; Budget billing; Deferred payment arrangements		

PREAMBLE TO IR (IF ANY):

Budget billing and Deferred Payment Arrangements are important ways for customers to manage bill impacts; their experience therewith may vary by customer segment.

QUESTION:

Please provide by month for January 2012 to present, the data requested below for each of the following customer segments:

- i. all residential,
 - ii. low-income,
 - iii. First Nations,
 - iv. northern Manitoba,
 - v. rural (areas without access to natural gas),
 - vi. electric-only,
 - vii. renters, and
 - viii. small and medium business.
-
- a) Total number and percentage of customers on Budget Billing;
 - b) Total number of customers newly entering into a levelized Budget Billing plan;
 - c) Total number of customers removed from Budget Billing, by reason (e.g., if applicable, by missing a payment);
 - d) Number and percentage of new deferred payment arrangements;
 - e) Average down payment (in dollars) of deferred payment arrangements;
 - f) Average term (in months) of deferred payment arrangements;
 - g) Average dollar amount of arrears made subject to deferred payment arrangements;
 - h) Average monthly installment of deferred payment arrangements;
 - i) Distribution of new deferred payment arrangements by term (in months);



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- j) Number of defaulted deferred payment arrangements;
- k) Number of defaulted deferred payment arrangements by term (in months) of the payment arrangement agreement;
- l) Number of completed deferred payment arrangements; and
- m) Average amount of arrearage forgiveness (if any) associated with a deferred payment arrangement.

RATIONALE FOR QUESTION:

To determine Company experience and practices with respect to budget billing and deferred payment arrangements.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Consistent with information provided at previous GRAs, some of the information requested in this IR is not available, is not maintained by Manitoba Hydro in the manner requested, and/or may disclose personal customer information.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide information that is consistent with its responses to identical IRs in previous GRAs (2010 and 2012 GRA). If the information in this IR has also been requested by other interveners in this proceeding, Manitoba Hydro will answer both IRs in one response.

Notwithstanding the foregoing, Manitoba Hydro has difficulty understanding the relevance of this detailed information to the current GRA, and questions whether or not a collaborative process outside of the current GRA proceeding would be better suited, and more advantageous to all parties, to review this issue, as opposed to the adversarial process of a GRA.



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RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

In terms of Manitoba Hydro's response indicating it has difficulty understanding the relevance of this IR, the IR in question specifically asks for information with which to test proposed rate impacts by determining payment arrangements already in place with respect to rural, low-income, all-electric, First Nations, northern rural, renters and small/medium business customers. Manitoba Hydro has proposed an alternative response which MMF is willing to accept at the present time, however, MMF reserves its right to ask further questions or take the position that the question has not been adequately answered by Manitoba Hydro dependant upon the answer provided by Manitoba Hydro. Although MMF may be willing to work in a collaborative process with Manitoba Hydro relating to the information requested, MMF still requires an answer to this IR from Manitoba Hydro within the current GRA proceeding.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-51a-b

Section:	Tab 6	Page No.:	
Topic:	Rates		
Subtopic:	Bill impacts		
Issue:	Equity; Deposits		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please provide by month for January 2012 to present, the data requested below for each of the following customer segments:

- i. all residential,
- ii. low-income,
- iii. First Nations,
- iv. northern Manitoba,
- v. rural (areas without access to natural gas),
- vi. electric-only,
- vii. renters, and
- viii. small and medium business.

- a) The number and percentage of accounts, and total dollar amounts, from which cash security deposits were held; and
- b) The number and total amount of cash security deposits applied to final bills.

RATIONALE FOR QUESTION:

To determine experience for specific customer segments with respect to security deposits.

RESPONSE:



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MMF/MH-I-51a-b**

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Consistent with information provided at previous GRAs, some of the information requested in this IR is not available, is not maintained by Manitoba Hydro in the manner requested, and/or may disclose personal customer information.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide information that is consistent with its responses to identical IRs in previous GRAs (2010 and 2012 GRA). If the information in this IR has also been requested by other interveners in this proceeding, Manitoba Hydro will answer both IRs in one response.

Notwithstanding the foregoing, Manitoba Hydro has difficulty understanding the relevance of this detailed information to the current GRA, and questions whether or not a collaborative process outside of the current GRA proceeding would be better suited, and more advantageous to all parties, to review this issue, as opposed to the adversarial process of a GRA.

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

In terms of Manitoba Hydro's response indicating it has difficulty understanding the relevance of this IR, the IR in question specifically asks for information with which to test proposed rate impacts by determining security deposits already held with respect to rural, low-income, all-electric, First Nations, northern rural, renters and small/medium business customers. Manitoba Hydro has proposed an alternative response which MMF is willing to accept at the present time, however, MMF reserves its right to ask further questions or take the position that the question has not been adequately answered by Manitoba Hydro dependant upon the answer provided by Manitoba Hydro. Although MMF may be willing to work in a collaborative process with Manitoba Hydro relating to the information requested, MMF still requires an answer to this IR from Manitoba Hydro within the current GRA proceeding.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-52

Section:	Tab 6	Page No.:	
Topic:	Rates		
Subtopic:	Bill impacts		
Issue:	Credit and collection		

PREAMBLE TO IR (IF ANY):

Credit and collection procedures and experiences may vary by specific customer segment.

QUESTION:

Please provide by month for January 2012 to present, the data requested below for each of the following customer segments:

- i. all residential;
- ii. low-income;
- iii. First Nations;
- iv. northern Manitoba;
- v. rural (areas without access to natural gas);
- vi. electric-only;
- vii. renters, and
- viii. small and medium business.

Please provide all reports, compilations, memos or other written documents of any nature, including any electronic compilation not committed to paper, routinely (e.g., monthly, quarterly, annually; any report more frequent than monthly need only provided be provided for each month) (a) generated and filed with the Manitoba Public Utilities Board, and (b) generated internally but not filed with the Manitoba Public Utilities Board, regarding:

Customers or dollars in arrears; Billings; Disconnections for nonpayment; Receipts; Reconnections; Deposits held; Deferred payment arrangements; Deposits applied against accounts; Collection activities; Final bills; Call center activity; Levelized budget billing; Uncollectibles.



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RATIONALE FOR QUESTION:

To determine credit and collection experience and practice by specific customer segments.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Consistent with information provided at previous GRAs, some of the information requested in this IR is not available, is not maintained by Manitoba Hydro in the manner requested, and/or may disclose personal customer information.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide information that is consistent with its responses to identical IRs in previous GRAs (2010 and 2012 GRA). If the information in this IR has also been requested by other interveners in this proceeding, Manitoba Hydro will answer both IRs in one response.

Notwithstanding the foregoing, Manitoba Hydro has difficulty understanding the relevance of this detailed information to the current GRA, and questions whether or not a collaborative process outside of the current GRA proceeding would be better suited, and more advantageous to all parties, to review this issue, as opposed to the adversarial process of a GRA.

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

In terms of Manitoba Hydro's response indicating it has difficulty understanding the relevance of this IR, the IR in question specifically asks for information with which to test proposed rate impacts by determining collection activities and other indicia of payment difficulties with respect to rural, low-income, all-electric, First Nations, northern rural, renters and small/medium business customers. Manitoba Hydro has proposed an alternative response which MMF is willing to accept at the present time, however, MMF reserves its right to ask further questions or take the position that the question has not been adequately answered by Manitoba Hydro dependant upon the answer provided by Manitoba Hydro. Although MMF may be willing to work in a collaborative process with Manitoba Hydro



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relating to the information requested, MMF still requires an answer to this IR from Manitoba Hydro within the current GRA proceeding.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-54

Section:	Tab 6	Page No.:	
Topic:	Rate impacts on specific customer segments		
Subtopic:	Bill impacts		
Issue:	Board overview		

PREAMBLE TO IR (IF ANY):

MH's Board exercises general oversight over MH operations, including impacts on specific customer segments and compliance with Board Orders.

QUESTION:

Please provide for each of the past five years, a copy of each presentation to MH's Board of Directors regarding the issues and/or customer segments enumerated below, including with respect to each presentation the meeting agenda and set of written materials related to the presentation.

- i., small and medium business,
- ii, low-income,
- iii, First Nations,
- iv, northern Manitoba,
- v, rural (areas without access to natural gas),
- vi, electric-only, and
- vii, renters.

RATIONALE FOR QUESTION:

To explore MH's Board's involvement with issues related to impacts on specific customer segments and compliance with Board Orders related thereto.

RESPONSE:



**Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-54**

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro's filing in this proceeding reflects the position of the Corporation on the matters addressed. The requested presentations, agendas and other materials are not public, nor do they necessarily represent the position of the corporation. The questioning of materials provided to the MHEB as opposed to questioning the materials filed with the PUB in this proceeding would be a detour and distraction for the purposes of this proceeding. As such, Manitoba Hydro will not be providing a response to this information request.

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

The IR in question specifically asks for information concerning Manitoba Hydro's efforts (if any) to ameliorate rate impacts or otherwise address special concerns of rural, low-income, all-electric, First Nations, northern rural, renters and small/medium business customers. Manitoba Hydro makes no claim that the requested information is not material and relevant to issues in this proceeding, nor could it. Whether the requested information represents the position of Manitoba Hydro has no bearing on its relevance or its materiality. Indeed, it is possible, for example, that Manitoba Hydro's Board rejected a proposal that would have had the effect of ameliorating rate impacts of rural, low-income, all-electric, First Nations, northern rural, renters and/or small/medium business customers. Accordingly, MMF requires Manitoba Hydro to answer this IR.



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MMF/MH-I-55**

Section:	Tab 6	Page No.:	
Topic:	Rate impacts on specific customer segments		
Subtopic:	Bill impacts		
Issue:	Arrears; Disconnections		

PREAMBLE TO IR (IF ANY):

MH may approach delinquencies and disconnection for non-payment differently by specific customer segment.

QUESTION:

With respect to the following specific customer segments:

- i. small and medium business,
- ii. low-income,
- iii. First Nations,
- iv. North Manitoba,
- v. rural (areas without access to natural gas),
- vi. electric-only, and
- vii. renters.

Please list all the programs and initiatives MH has undertaken in the last five years to reduce:

- a) the number of disconnections for nonpayment;
- b) to reduce the number of delinquent customer accounts, and the measures MH uses to determine if these programs are successful, and the results;
- c) Of the accounts receiving a notice of an impending disconnection for nonpayment, for each month since January 2012, please provide:
 - A. the total number of accounts that did not have their service disconnected by the date specified in the disconnect notice;
 - B. the total number of accounts that did not have their service disconnected prior to the next bill received after receiving the notice of disconnection;
 - C. the total number of accounts that did not have their service disconnected for nonpayment



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- after receiving a disconnect notice for nonpayment that voluntarily terminated their accounts;
- D. the total number of accounts that did not have their service disconnected because the customer paid their bills in full prior to their scheduled disconnection;
 - E. the total number of accounts that did not have their service disconnected because the customer paid their bills less than in full but sufficient to avoid their scheduled disconnection;
 - F. the total number of accounts that did not have their service disconnected even though they retained an arrears that was sufficient large (or sufficiently old) to trigger a disconnection);
 - G. the total number of accounts on which account no payments were made prior to the issuance of the next bill after issuance of the disconnect notice;
 - H. the number and percentage of accounts receiving a notice of disconnection for nonpayment;
 - I. the number and percentage of accounts actually being disconnected for nonpayment;
 - J. the number and percentage of accounts entering into a deferred payment arrangement;
 - K. the total number of bills issued;
 - L. the total dollars billed for current service (i.e., not including arrears); and
 - M. the total dollars of payments received.

RATIONALE FOR QUESTION:

To explore whether MH's programs with respect to disconnections for nonpayment and delinquencies are targeted to specific customer segments.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Consistent with information provided at previous GRAs, some of the information requested in this IR is not available, is not maintained by Manitoba Hydro in the manner requested, and/or may disclose personal customer information.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide information that is consistent with its responses to identical IRs in previous GRAs



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(2010 and 2012 GRA). If the information in this IR has also been requested by other interveners in this proceeding, Manitoba Hydro will answer both IRs in one response.

Notwithstanding the foregoing, Manitoba Hydro has difficulty understanding the relevance of this detailed information to the current GRA, and questions whether or not a collaborative process outside of the current GRA proceeding would be better suited, and more advantageous to all parties, to review this issue, as opposed to the adversarial process of a GRA.

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

In terms of Manitoba Hydro's response indicating it has difficulty understanding the relevance of this IR, the IR in question specifically asks for information with which to test Manitoba Hydro's provision for proposed rate impacts by determining Manitoba Hydro's actions with respect to collection activities and other indicia of payment difficulties with respect to rural, low-income, all-electric, First Nations, northern rural, renters and small/medium business customers. Manitoba Hydro has proposed an alternative response which MMF is willing to accept at the present time, however, MMF reserves its right to ask further questions or take the position that the question has not been adequately answered by Manitoba Hydro dependant upon the answer provided by Manitoba Hydro. Although MMF may be willing to work in a collaborative process with Manitoba Hydro relating to the information requested, MMF still requires an answer to this IR from Manitoba Hydro within the current GRA proceeding.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MMF/MH-I-56a-c

Section:	Tab 6	Page No.:	
Topic:	Rate impacts on specific customer segments		
Subtopic:	Bill impacts		
Issue:	Collections		

PREAMBLE TO IR (IF ANY):

MH may develop and evaluate or analyze collection procedures and policies on a specific customer segment basis.

QUESTION:

With respect to the following specific customer segments:

- i. small and medium business,
- ii. low-income,
- iii. First Nations,
- iv. northern Manitoba,
- v. rural (areas without access to natural gas),
- vi. electric-only, and
- vii. renters.

Please provide a copy of all reports, evaluations, memos, analyses or other written documents of any nature containing an articulation of performance indicators on which empirical data has been collected with respect to the following, as well as a copy of each such performance indicator report:

- a) Debt prevention;
- b) Debt management;
- c) The treatment of vulnerable residential customers;

RATIONALE FOR QUESTION:



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To determine MH's collection efforts, and analysis thereof, on a specific customer segment basis.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Consistent with information provided at previous GRAs, some of the information requested in this IR is not available, is not maintained by Manitoba Hydro in the manner requested, and/or may disclose personal customer information.

In accordance with section 16(b) of the PUB's Rules of Practice and Procedure, Manitoba Hydro proposes an alternate response, based on available information. Manitoba Hydro will provide information that is consistent with its responses to identical IRs in previous GRAs (2010 and 2012 GRA). If the information in this IR has also been requested by other interveners in this proceeding, Manitoba Hydro will answer both IRs in one response.

Notwithstanding the foregoing, Manitoba Hydro has difficulty understanding the relevance of this detailed information to the current GRA, and questions whether or not a collaborative process outside of the current GRA proceeding would be better suited, and more advantageous to all parties, to review this issue, as opposed to the adversarial process of a GRA.

RESPONSE TO HYDRO'S REFUSAL TO ANSWER THE QUESTION:

In terms of Manitoba Hydro's response indicating it has difficulty understanding the relevance of this IR, the IR in question specifically asks for information with which to test Manitoba Hydro's provision for proposed rate impacts by determining Manitoba Hydro's actions with respect to collection activities and other indicia of payment difficulties with respect to rural, low-income, all-electric, First Nations, northern rural, renters and small/medium business customers. Manitoba Hydro has proposed an alternative response which MMF is willing to accept at the present time, however, MMF reserves its right to ask further questions or take the position that the question has not been adequately answered by Manitoba Hydro dependant upon the answer provided by Manitoba Hydro. Although MMF may be willing to work in a collaborative process with Manitoba Hydro relating to the



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information requested, MMF still requires an answer to this IR from Manitoba Hydro within the current GRA proceeding.



THOMPSON DORFMAN SWEATMAN LLP

COPY

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March 5, 2015

***DELIVERED BY COURIER &
VIA E-MAIL***

Mr. D. Christle
Secretary and Executive Director
Public Utilities Board
400 - 330 Portage Avenue
Winnipeg, MB R3C 0C4

Dear Mr. Christle:

Re: Manitoba Hydro 2015 GRA
Our Matter No. 0124393 AFH

MIPUG has reviewed Manitoba Hydro's two letters regarding Information Requests dated February 23, 2015 and February 25, 2015. MIPUG is sympathetic to the concerns of Hydro in regard to quantity of IRs, and expresses concern that when the quantity of the IRs overwhelms the ability to achieve quality responses to IRs, there can be a reduction to the efficiency and usefulness of the hearing process.

In an effort to address the Board's concerns noted in Order 18/15 regarding the increasing number of Information Requests, MIPUG reviewed the IRs prepared by the PUB, and greatly reduced the number of IRs asked compared to the 2012 GRA from 157 to 90 (including sub-parts). This is among the lowest number of IRs by any party even though MIPUG's approved scope for the review is among the widest. MIPUG made significant effort to ensure that IRs drafted to date were within the scope set by the Board. MIPUG also made efforts to coordinate responses with other parties to reduce duplication. Finally, MIPUG reserved almost all questions related to depreciation pending receipt and review of the response of Hydro to PUB Directives 8 and 9 of Order 43/13 (recently received, but not yet reviewed) in case the response to this directive eliminates or reduces the need for the questions.

For the reasons more fully set out in the attached documents, MIPUG believes the remaining IRs objected to by Manitoba Hydro are within the scope of this hearing and are required to fully investigate the 2015 GRA filing. As a result, except where MIPUG has noted below that it is willing to withdraw or re-word an IR, MIPUG expects substantial responses from Manitoba Hydro on the MIPUG Round 1 IRs.



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Consistent with the process proposed by the PUB, MIPUG approached Hydro and arranged a conference call on February 26, 2015 to discuss the disputed IRs in an attempt to resolve the disagreement directly with Manitoba Hydro. As a result of that call, MIPUG has agreed to withdraw two IRs and has reworded or repositioned a number of other IRs to reduce the complexity and work required to answer, as follows:

- MIPUG/MH-I-43(a) – MIPUG agrees to withdraw
- MIPUG/MH-I-10(c) – MIPUG agrees to withdraw
- MIPUG/MH-I-5 – MIPUG proposes to re-word (see enclosed). It is MIPUG's understanding Hydro similarly objects to the reworded question.
- MIPUG/MH-I-19(c) – MIPUG proposes to re-word (see enclosed). It is MIPUG's understanding that Hydro similarly objects to the reworded question
- MIPUG/MH-I-34(a) and (b) – MH proposed an alternative approach which is acceptable to MIPUG
- MIPUG/MH-I-7(a) – MH proposed a narrowed scope (excluding working papers) which is acceptable to MIPUG

Manitoba Hydro has not amended or withdrawn any of its original objections except where MIPUG accepted MH revised wording. MIPUG has shared its justifications as to why that the remaining responses were required and in-scope and has also attempted to deal with Manitoba Hydro concerns by proposed rewording of some IRs.

Unfortunately MIPUG has had limited success in dealing with Manitoba Hydro objections and seeks adjudication from the Board.

Enclosed is MIPUG's reply to the specific objections raised by Hydro.

Do not hesitate to contact the writer if you have any questions.

Yours truly,

THOMPSON DORFMAN SWEATMAN LLP

Per: ORIGINAL SIGNED BY
ANTOINE F. HACAULT

Antoine F. Hacault*

AFH/ab

Encls.

cc: Interveners of Record

*Services provided through Antoine F. Hacault Law Corporation

MIPUG Comprehensive DSM Response

Hydro's rationale for not answering DSM IRs is that Hydro indicates that almost all DSM topics (other than the dollar value of immediate spending in the test years) is out of scope as per Order 18/15. The quoted PUB text from Order 18/15 that Hydro provides as justification is from page 20 of the Order where the PUB is deciding on the proposed intervention of GAC. As rationale for why the PUB does not approve the proposed evidence of witness Mr. Chernick the PUB references the NFAT, and goes on to state that "The Board does not intend to conduct a similarly detailed review of DSM in this proceeding but rather, intends to focus its review on the reasonableness of, and justification for, Manitoba Hydro's projected DSM expenditures during the test years." The PUB specifically does not say that DSM is out of scope. In fact the PUB approved a specific DSM scope for many intervenors, including MIPUG.

The questions asked by MIPUG regarding DSM specifically are asked to determine the economic necessity of the proposed DSM expenditures in the test years, in light of the rate impacts that are forecast specifically as a result of each program. It is MIPUG's position that this is imperative for this GRA, where the "significantly higher investment" for Hydro's proposed Power Smart program is provided by Hydro as one rationale for the proposed rate increases in the test years. MIPUG is solely asking for an overview of Hydro's Power Smart program to determine if the rate impacts as proposed by Hydro are justified and that there is no intergenerational equity issue in regards to the long-term DSM investment in matching costs and benefits. Additionally, metrics were requested at the program level to provide an overview for which programs may have adverse impacts on large ratepayers specifically (as well as other rate groups) as specifically highlighted in the PUB Order for MIPUG's scope. MIPUG in no way requires a detailed review of long-term DSM spending in this proceeding.

1. **MH Proposed Scope:** Manitoba Hydro's Issues List filed with its February 4, 2015 Pre-Hearing Conference response to the PUB proposes that Hydro's Current DSM Plan and DSM Cost Estimate from 2014 – 2029 is within the scope of the hearing under the second category ("Review of contextual information to support rate determinations in fiscal years under consideration"). MIPUG's IRs were asked within this context.
2. **MIPUG Scope:** In Order 18/15 the PUB summarized MIPUG's proposed scope on page 8 including "MIPUG ... will focus its review of demand-side

management on the impacts on large ratepayers”. Manitoba Hydro did not object to this intervention as noted on page 14 of Order 18/15 and the PUB approved this as in scope for MIPUG’s intervention on page 15 of Order 18/15.

3. **Core to MH Basis for Rate Request:** In Tab 2, page 48 Hydro states that “the Corporation ... is pursuing an enhanced Power Smart program with a significantly higher level of investment”. On page 49 of Tab 2, Hydro states that “the revenues from the proposed rate increases are necessary so that Manitoba Hydro can deliver on its mandate by funding Power Smart programs to assist customers in meeting their energy needs in a cost effective manner”. MIPUG’s IRs on DSM were asked in order to probe the Hydro assertion that rate increases are required to fund increased DSM programming, and in particular as it relates to the proposed rate increases that impact large ratepayers as proposed.
4. **The Highlighted MIPUG Requests do not fit with Hydro’s Criteria that the Requested Information is from “outside the test years and from multiple IFFs”:** MIPUG’s requests focus entirely on information that is filed within Appendix 8.1, and programs that are identified for current funding (the 2014-2017 plan). MIPUG did not ask questions on DSM that require previous Power Smart plans or IFFs.
5. **Information is Not Difficult to Prepare:** MIPUG made an effort to structure the IR requests such that the responses should not (in MIPUG’s view) be difficult or time-consuming in nature to answer. Similar analysis has been performed by Hydro in the past, and MIPUG expects that the information is readily available within Hydro’s existing files.

MIPUG seeks adjudication from the Board on the DSM IRs that Manitoba Hydro is refusing to answer including:

- MIPUG/MH I-1 a & b
- MIPUG/MH I-2
- MIPUG/MH I-3 a, b & c
- MIPUG/MH 1-39 a, b & c



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Section:	Appendix 8.1	Page No.:	31 & 32
Topic:	DSM		
Subtopic:	Forecast Internal DSM Budget		
Issue:	Actual and Forecast DSM spending		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please expand the Internal DSM Utility Investment by program (as seen on page 31) by year from 2014/15 to 2028/29.

RATIONALE FOR QUESTION:

MIPUG would like to compare the spending year over year and increases made in the new DSM program following the NFAT review.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

As per the PUB's direction in Order 18/15, in responding to this IR Manitoba Hydro will provide information on projected DSM expenditures that is available for the test years.

MIPUG RESPONSE TO HYDRO'S REFUSAL:

Please see MIPUG Comprehensive DSM Response dated February 5, 2015.



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Section:	Appendix 8.1	Page No.:	31 & 32
Topic:	DSM		
Subtopic:	Forecast Internal DSM Budget		
Issue:	Actual and Forecast DSM spending		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please expand the Internal DSM Utility Investment by program for actual years until 2013/14 encompassed in the “spent to 2013/14” line for total expenditures equal to \$584.6 million.

RATIONALE FOR QUESTION:

MIPUG would like to compare the spending year over year and increases made in the new DSM program following the NFAT review.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB’s direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro’s DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

MIPUG RESPONSE TO HYDRO’S REFUSAL:

Please see MIPUG Comprehensive DSM Response dated February 5, 2015.



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MIPUG/MH-I-2

Section:	Appendix 8.1	Page No.:	Page 38 & 39
Topic:	DSM		
Subtopic:	Forecast DSM programming		
Issue:	Economic testing of DSM programming		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please add the PACT and RIM DSM Metrics to the Integrated DSM Metrics for 2014/15 – 2028/29.

RATIONALE FOR QUESTION:

MIPUG would like to test the economics of DSM programming planned for the years being reviewed in this GRA.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB's direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review "...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years." This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

MIPUG RESPONSE TO HYDRO'S REFUSAL:

Please see MIPUG Comprehensive DSM Response dated February 5, 2015.



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MIPUG/MH-I-3a

Section:	Tab 4	Page No.:	Page 10
Topic:	DSM		
Subtopic:	10 Year Cost Flow Update		
Issue:			

PREAMBLE TO IR (IF ANY):

Figure 4.10 on page 10 indicates that \$26.3 million is to be spent on “added conservation rates for residential and commercial customers” and that \$55.1 million will be spend on “added fuel choice program” during the 10-year period 2015 - 2024.

QUESTION:

Please indicate the status and objectives the Conservation rates initiative, and a breakdown of the proposed spending for residential and commercial customers. Specifically what is the \$26.3 million being spent on?

RATIONALE FOR QUESTION:

MIPUG to review DSM programming generally regarding the rate impacts, especially to GSL customers where possible.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB’s direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro’s DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

MIPUG RESPONSE TO HYDRO’S REFUSAL:

Please see MIPUG Comprehensive DSM Response dated February 5, 2015.



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MIPUG/MH-I-3b

Section:	Tab 4	Page No.:	Page 10
Topic:	DSM		
Subtopic:	10 Year Cost Flow Update		
Issue:			

PREAMBLE TO IR (IF ANY):

Figure 4.10 on page 10 indicates that \$26.3 million is to be spent on “added conservation rates for residential and commercial customers” and that \$55.1 million will be spend on “added fuel choice program” during the 10-year period 2015 - 2024.

QUESTION:

Please indicate the status and objectives of the Fuel Choice Program, and a breakdown of the proposed spending. Please indicate the contribution from Centra Gas for this initiative including any reduction or forgiveness from extension or connection charges.

RATIONALE FOR QUESTION:

MIPUG to review DSM programming generally regarding the rate impacts, especially to GSL customers where possible.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB’s direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro’s DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

MIPUG RESPONSE TO HYDRO’S REFUSAL:

Please see MIPUG Comprehensive DSM Response dated February 5, 2015.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MIPUG/MH-I-3c

Section:	Tab 4	Page No.:	Page 10
Topic:	DSM		
Subtopic:	10 Year Cost Flow Update		
Issue:			

PREAMBLE TO IR (IF ANY):

Figure 4.10 on page 10 indicates that \$26.3 million is to be spent on “added conservation rates for residential and commercial customers” and that \$55.1 million will be spend on “added fuel choice program” during the 10-year period 2015 - 2024.

QUESTION:

For each program provide the RIM and PACT metrics showing all data and calculations.

RATIONALE FOR QUESTION:

MIPUG to review DSM programming generally regarding the rate impacts, especially to GSL customers where possible.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB’s direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro’s DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

MIPUG RESPONSE TO HYDRO’S REFUSAL:

Please see MIPUG Comprehensive DSM Response dated February 5, 2015.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MIPUG/MH-I-5

Section:	Appendix 5.5	Page No.:	
Topic:	OM&A Cost Containment		
Subtopic:	BC Hydro Review Report		
Issue:			

PREAMBLE TO IR (IF ANY):

During the 2012/13 & 2013/14 GRA Hydro filed Exhibit #28, which included a report detailing the response and action plan for Manitoba Hydro's comments on the recent BC Hydro Review report examining the operating and capital requirements of BC Hydro for the purpose of minimizing rate increases.

QUESTION:

Please provide a status update on MH's action plan items from MH Exhibit #28. Provide reference to relevant GRA filings where applicable.

RATIONALE FOR QUESTION:

MIPUG plans to review Hydro's approach to budgeting and cost control methods.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR requests an update to Manitoba Hydro's response to the Review of BC Hydro, filed as Exhibit #28 at the 2012/13 & 2013/14 Electric GRA. An update to Exhibit #28 from the last Electric GRA is not necessary as the cost saving initiatives being undertaken by Manitoba Hydro to manage its overall operating and capital expenditure are sufficiently outlined in Section 5.14 of Tab 5 of the current GRA.



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MIPUG RESPONSE TO HYDRO'S REFUSAL:

Based on MIPUG's review of Section 5.14 of Tab 5 of Hydro's application, there appears to be a number of MH proposed Action Items as reported in MH-28 which are not yet addressed in this GRA. MIPUG requests an update as to the MH Action Plan items as reported in MH-28 that were not mentioned in Tab 5 Section 5.14.

In order to simplify Hydro's workload, please see the revised question below:

Rephrase of question:

MIPUG/MH I-5 (REVISED): Can Hydro provide a status update including a timeline for when the other action plan items will occur (or alternatively indicate which of the other Action Plan items detailed in this report will not proceed)?

MIPUG seeks adjudication from the Board on MIPUG/MH I-5 (REVISED).



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MIPUG/MH-I-13a

Section:	Appendix 3.7	Page No.:	Sinking Funds
Topic:			
Subtopic:			
Issue:			

PREAMBLE TO IR (IF ANY):

QUESTION:

- a) Please update MIPUG/MH I-31b) from the 2012/13 & 2013/14 GRA and provide an update with respect to any progress Manitoba Hydro has made on discussions with the Province of Manitoba with respect to removing sinking fund requirements. What is the implication of the removal of sinking fund requirements on revenue requirement?

RATIONALE FOR QUESTION:

MIPUG is reviewing the financial forecast including Hydro's debt management activities.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro cannot disclose cabinet confidences nor does it disclose advice, opinions, recommendations, analyses or policy options developed by or for a minister.

MIPUG RESPONSE TO HYDRO'S REFUSAL:

In the 2008 GRA Hydro commented that removing sinking funds would improve net income without adverse effects on borrowing rates (MIPUG/MH I-13(a)&(h) from the 2008 GRA) and that they were looking into requesting the removal of the obligation from the Government (Transcript page 603, line 18 from the 2008 GRA) and that the opportune time to pursue the elimination may be in the next 2 to 3 years (Transcript page 1327, lines 1-4 from the 2008 GRA).



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In Order 116/08 (page 69) the PUB recommended that Hydro seek independent advice as well as advice from the government and its credit rating agencies as to the merits of a possible elimination of the sinking fund requirements.

In the 2010 GRA, Hydro noted that independent advice had not been sought (Transcript pages 5477 – 5480 from April 7, 2011).

In the 2012 GRA, Hydro noted that it was still Hydro's objective to ultimately eliminate the mandatory sinking fund requirement. Additionally Hydro commented that the Province of Manitoba was aware of this objective.

At minimum, MIPUG seeks an answer to the second part of the question (Please provide the IFF implications for removing sinking fund obligations (including the payment to the government separately if possible). This is not a cabinet confidence.

In regard to the first part, MIPUG requests that Hydro provide an update on the status of this issue since the 2012 GRA. The question as originally proposed was whether Hydro had made progress, not for specific advice provided to or by the Minister.

MIPUG seeks adjudication from the Board on MIPUG/MH I-13a.



Manitoba Hydro 2014/15 & 2015/16 General Rate Application
MIPUG/MH-I-14d

Section:	MH-55 from the 2012/13 & 2013/14 GRA	Page No.:	
Topic:	Accounting Changes		
Subtopic:			
Issue:			

PREAMBLE TO IR (IF ANY):

QUESTION:

Please update PUB/MH I -55 from the 2012/13 & 2013/14 GRA comparing different jurisdictions regarding IFRS changes.

RATIONALE FOR QUESTION:

To review the proposed accounting changes, the implications on rate payers and how those implications have changed since the 2012/13 & 2013/14 GRA.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested in this IR is not readily available to Manitoba Hydro. Given the passage of time and the divergence in practice with respect to the financial reporting frameworks (IFRS, US GAAP) used by Canadian Electrical Utilities, current information to what was provided in PUB/MH 1-55 from the 2012/13 & 2013/14 GRA is not readily available, and not capable of being represented in a meaningful way through a simple update.

The information request process is not a vehicle by which interveners may obtain tools and/or evidence from the applicant to assist them in creating their own evidence to propose alternatives to that which has been applied for by Manitoba Hydro. Manitoba Hydro seeks the PUB' s direction as to whether the type of detail requested in MIPUG 1-14(d) is required in terms of the value such information would provide to the PUB in determining the rate increases for the test years.



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MIPUG/MH-I-14d**

MIPUG RESPONSE TO HYDRO'S REFUSAL:

1. **Relevance:** In MIPUG's view, this information is relevant and required to help inform the Board of methods used by other utilities in the treatment of IFRS items for rate regulation purposes. As part of its own internal due diligence, Hydro should already have this information readily available.
2. **Usefulness:** The requested information assisted parties in the 2012/13 & 2013/14 GRA and in the 2011 & 2012 GRA (as Pre-Ask-17) in understanding the adoption and implementation of IFRS (and/or other standards) used by Canadian utilities. The information was first sought by the PUB underlining its relevance. MIPUG relied upon the information in the preparation of its cross-examination and argument.
3. **Only Seeking Update:** If no changes have been made to Hydro's proposed IFRS transitions or the information contained in the IR and subparts, then Hydro need simply confirm that PUB/MH I-55 from the 2012/13 & 2013/14 GRA remains valid.
4. **Redundancy and Cost:** Hydro asserts that MIPUG could undertake its own review of this information, if required. However such an approach would materially decrease hearing efficiencies considering (1) Hydro likely already has comparisons of this nature on hand as part of the due diligence required in implementing IFRS for rate regulation purposes, (2) any review completed by MIPUG (including any retention of added subject matter experts) and any evidence presented to the Board on the matter would then have to be re-reviewed and challenged (where necessary) by Hydro.

MIPUG seeks adjudication from the Board on MIPUG/MH I-14d.



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MIPUG/MH-I-16a

Section:	Appendix 5.6	Page No.:	
Topic:	Depreciation		
Subtopic:	Peer Reviewed Utilities		
Issue:			

PREAMBLE TO IR (IF ANY):

MH Exhibit #57 from the 2012/13 & 2013/14 GRA provided the utilities that Mr. Kennedy reviewed and relied upon in the selection of average service life recommendations. PUB/MH I-85 indicated the depreciation methodology employed in other Canadian jurisdictions at the time of the 2012/13 & 2013/14 GRA and compared ASL and ELG.

QUESTION:

Please update MH Exhibit #57 in providing the peer information for the companies relied upon by Gannett Fleming in the 2014 Depreciation Study, with a copy of the summary of results from each of the above studies.

RATIONALE FOR QUESTION:

MIPUG is reviewing the depreciation study including any changes that have occurred since the 2010 depreciation study.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested in this IR is not readily available to Manitoba Hydro. Given the passage of time and the divergence in practice with respect to the financial reporting frameworks (IFRS, US GAAP) used by Canadian Electrical Utilities, current information to what was provided in Exhibit #57 from the 2012/13 & 2013/14 GRA is not readily available, and not capable of being represented in a meaningful way through a simple update.



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MIPUG RESPONSE TO HYDRO'S REFUSAL:

1. **Relevance:** In MIPUG's view, this information is relevant and required to help inform the Board of methods used by other utilities in the treatment of depreciation for rate regulation purposes and to get a better understanding of the rationale for the methods in rate setting. As part of its own normal internal due diligence, certainly Gannett Fleming (and perhaps Hydro) should already have this information readily available. The depreciation study specifically notes that it looks at peer utilities as one form of evidence of service lives.
2. **Usefulness:** The requested information assisted parties in the 2012/13 & 2013/14 GRA in understanding the adoption and implementation of depreciation methods used by Canadian utilities and the background used by Hydro's depreciation consultant when preparing Hydro's most recent study. MIPUG relied upon the information in the preparation of its evidence, cross-examination and argument.

MIPUG seeks adjudication from the Board on MIPUG/MH I-16a.



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MIPUG/MH-I-19c

Section:	Appendix 5.6	Page No.:	
Topic:	Depreciation		
Subtopic:	Comparison to 2010 Depreciation Study		
Issue:	Overview of Depreciation Method changes		

PREAMBLE TO IR (IF ANY):

QUESTION:

Please detail all study changes including service life and survivor curve made between the Depreciation Study for twelve months ended March 31, 2010 (Appendix 5.7 from the 2012/13 & 2013/14 GRA) that uses the ELG method and the Depreciation Study for twelve months ended March 31, 2014 (Appendix 5.6 in this filing). Provide the qualitative rationale for the change. Please include dollar and percentage changes that this creates for the surviving original cost, calculated annual accrual amount, total depreciation expense, book accumulated depreciation, accumulated depreciation variance, probably life remaining and annual provision for true-up.

RATIONALE FOR QUESTION:

To review the 2014 Depreciation Study the implications on rate payers and how those implications have changed since the 2012/13 & 2013/14 GRA.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro is not in a position to independently respond to this IR or the revised IR that MIPUG proposed arising from the discussions between Manitoba Hydro and MIPUG on Thursday, February 26th. A detailed scenario would have to be requested from Gannet Fleming, which would be time consuming and costly. A response would not be available by the deadline for filing first round IR responses. Manitoba Hydro notes that in Appendix 5.6, the Corporation has provided a detailed depreciation study that outlines the major changes



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between its 2010 and 2014 depreciation study. Manitoba Hydro will be providing additional information in the response to PUB/MH 1-38 which explains the rationale for, and impact of changes to a number of individual accounts for which significant changes in depreciation rates have occurred. Manitoba Hydro seeks the PUB's direction as to whether the type of detail requested in MIPUG 1-19(c) is required in terms of the value such information would provide to the PUB in determining the rate increases for the test years.

MIPUG RESPONSE TO HYDRO'S REFUSAL:

Hydro's response asserts that the question seeks a "scenario" that would have to be performed by Gannett Fleming, which would be time consuming and costly.

MIPUG disagrees with Hydro's interpretation. MIPUG's request solely seeks a comparison of the tabular data from the relevant previous studies. To clarify the request, and make the question rely more directly on already available information, MIPUG proposes to reword the question as follows:

MIPUG/MH I-19c (REVISED): Please provide an Excel copy of each of the following tables/schedules: Tables 1, 1A, 2, and 2A from each of the following: (i) the Gannett Fleming letter from January 14, 2015 (ii) the Gannett Fleming study from January 13, 2015 (iii) the Gannett Fleming letter from January 13, 2012 and (iv) the Gannett Fleming study of November 2, 2011. Alternatively, instead of an Excel file, please provide a quantitative comparison of each of the entries in the referenced tables/schedules showing the impacts in each case of ASL versus ELG from studies of the same vintage, and a comparison of the 2012 GRA vintage studies versus the current vintage of studies. Please also provide a copy of Part V of the studies in (ii) and (iv) above.

The Gannett Fleming study filed, contrary to Hydro's assertion that it is a "detailed study", is in fact only the summary portions of the document. The "Retirement Rate Analysis" portion of the document (Section V), although repeatedly referenced in the materials provided, is not distributed. MIPUG would accept the distribution of Section V as an alternative to the request for "rationales" (and indeed MIPUG requests that the IR be read to include a request for copies of Section V). However, MIPUG notes that review of this information in raw form by parties other than Hydro is time consuming and could lead to hearing inefficiencies as this information is brought out in detail during cross-examination.

At its core, the information requested by MIPUG should be part of Hydro's most basic due diligence in reviewing the recommendations of Gannett Fleming's depreciation study before



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accepting the recommendations. It is not apparent why this information would not be available to Hydro. Hydro should have a full understanding of all of the changes being implemented by Gannett Fleming.

Of greater concern, the above request is for the simplest comparison of depreciation approaches. MIPUG notes that its depreciation IRs have yet to be filed, pending Hydro distributing the response to Directives 8 and 9 of Order 43/13. It is expected that some consideration of “alternatives” and “scenarios” will need to be considered as part of MIPUG’s and the Board’s review of Hydro’s rate proposals (indeed this is the basic intent of the cited directives). Hydro acknowledged this in its February 4, 2015 submission on scope to be reviewed for the Pre-Hearing Conference that Depreciation Methodology for Rate Setting Purposes would be fully within the scope of this hearing. It is not apparent how a methodology can be reviewed without any understanding of the impact and implications of alternative methodologies applied to Hydro’s own data.

MIPUG sent MIPUG/MH I-19c (REVISED) to Hydro for review and Hydro maintains that the information in the filing “should be sufficient” and are not in a position to respond to this IR. MIPUG requires the Board’s adjudication on MIPUG/MH I-19c (REVISED).



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MIPUG/MH-I-29b

Section:	Tab 6	Page No.:	14
Topic:	Curtailable Rate Program (CRP)		
Subtopic:			
Issue:			

PREAMBLE TO IR (IF ANY):

QUESTION:

In regard to the PUB Report and Recommendations to the Minister, please provide details and copies of any specific direction from the Government of Manitoba to Manitoba Hydro (including, for example, the letter from the Minister dated July 2, 2014) regarding advancement or expansion of the Curtailable Rate Program as a result of the PUB's NFAT Recommendations.

RATIONALE FOR QUESTION:

To examine the rationale for capping Options A and R and eliminating Option C of the CRP.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro cannot disclose cabinet confidences nor does it disclose advice, opinions, recommendations, analyses or policy options developed by or for a minister.

MIPUG RESPONSE TO HYDRO'S REFUSAL:

The PUB NFAT report was a report to the Minister. Hydro has now brought forward proposals that are purporting to reflect implementation of various NFAT related recommendations, but without any information for the PUB or Intervenors regarding the receipt, review, consideration, conclusions, or direction of the Minister on how the NFAT recommendations should be implemented. In this regard, intervenors are at a severe disadvantage compared to Hydro in terms of understanding whether Hydro's proposals are consistent with, or are indeed the best means to achieve the Minister's conclusions reached in regard to the PUB directions.



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Through public sources, MIPUG received and reviewed a letter from the Minister to Hydro detailing desired follow-up items regarding the PUB's NFAT Recommendations. This document provides specific items for Hydro to pursue, including support for large industries through such measures as advancement of curtailable rate programs. The Minister's prescription is inconsistent with Hydro's proposal in this hearing to continue to cap the CRP.

This letter is not a cabinet confidence as it was publically obtained.

It is MIPUG's views that the PUB would benefit from reviewing this summary of the Minister's prescriptions in response to the NFAT report, as well as any subsequent updates.

MIPUG seeks adjudication from the Board on MIPUG/MH I-29b.



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MIPUG/MH-I-33

Section:	Tab 2	Page No.:	22
Topic:	Retained Earnings		
Subtopic:			
Issue:			

PREAMBLE TO IR (IF ANY):

Hydro states on page 22 of Tab 2: “Even with the proposed and indicative rate increases projected in MH14, retained 9 earnings from electric operations are projected to fall from \$2.7 billion in 2014/15 to \$2.0 10 billion by 2023/24. This amount is barely sufficient to absorb the impact of the 11 reoccurrence of a historic 5-year drought, and does not provide sufficient reserves to 12 mitigate the potential financial impacts of the considerable array of risks the Corporation 13 faces in fulfilling its mandate.”

QUESTION:

Please provide a copy of a 20-year IFF Electric Operating Statement, Cash Flow and Balance Sheet showing water conditions for fiscal 2017 - 2024 at the average of the best 97 years of the 102 year history (i.e., non-drought conditions) followed by a 5 year repeat of the worst drought on record starting in 2024.

RATIONALE FOR QUESTION:

MIPUG to review retained earnings and risks to financial integrity.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

Manitoba Hydro understands that the PUB’s Rules of Practice and Procedure, and its practice, is to look at the relevance of the information sought, the significance, and the reasonableness of the request when the PUB considers its discretion of permitting IRs. Manitoba Hydro seeks the PUB’s direction with respect to the reasonableness, relevance, significance and value that this IR would provide to the PUB in making its determinations, in



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light of the total number of IRs and the significant amount of time and effort that Manitoba Hydro would have to spend in responding to this IR.

MIPUG RESPONSE TO HYDRO'S REFUSAL:

Hydro has previously noted that the long-term IFF is not a scenario based on “normal” conditions, but rather on “all” conditions – that is, the IFF implicitly already includes severe droughts of various magnitudes. Hydro has prepared assertions that a drought occurring within the IFF period would fully deplete retained earnings. However, as a drought is already included in the IFF baseline, it is not reasonable to simply add a drought flow condition on top of a scenario that already includes droughts for a full review.

MIPUG is seeking to advance the state of the conversation regarding drought risk in this hearing (as part of testing Hydro's assertions that they chose to present in the GRA filing) and in preparation for further review of financial targets in a future hearing once Hydro's work on that matter is concluded.

Hydro has routinely provided IFF scenarios in the past, including water flow variations.

MIPUG seeks adjudication from the Board on MIPUG/MH I-33a.



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MIPUG/MH-I-39a

Section:	Tab 2	Page No.:	48-49
Topic:	Enhanced Power Smart Program		
Subtopic:			
Issue:			

PREAMBLE TO IR (IF ANY):

Hydro states that: “the Corporation has completed a more comprehensive assessment of the condition of its assets and the capital requirements associated with the renewal of its existing asset base, and is pursuing an enhanced Power Smart program with a significantly higher level of investment. As such, there is now more certainty with respect to Manitoba Hydro’s investment requirements than there has been in the recent past.”

QUESTION:

Is it Hydro’s contention that an enhanced PowerSmart program is a rationale for increasing rates to consumers?

RATIONALE FOR QUESTION:

MIPUG to review DSM programming generally regarding the rate impacts, especially to GSL customers where possible.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB’s direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro’s DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba



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Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

MIPUG RESPONSE TO HYDRO’S REFUSAL:

Please see MIPUG Comprehensive DSM Response dated February 5, 2015.



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MIPUG/MH-I-39b

Section:	Tab 2	Page No.:	48-49
Topic:	Enhanced Power Smart Program		
Subtopic:			
Issue:			

PREAMBLE TO IR (IF ANY):

Hydro states that: “the Corporation has completed a more comprehensive assessment of the condition of its assets and the capital requirements associated with the renewal of its existing asset base, and is pursuing an enhanced Power Smart program with a significantly higher level of investment. As such, there is now more certainty with respect to Manitoba Hydro’s investment requirements than there has been in the recent past.”

QUESTION:

Please provide all data and calculations of the dollar value associated with the proposed rate increases for 2014/15, 2015/16 and 2016/17 being driven by increased PowerSmart investments within IFF14.

RATIONALE FOR QUESTION:

MIPUG to review DSM programming generally regarding the rate impacts, especially to GSL customers where possible.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB’s direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro’s DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba



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Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years and from multiple IFFs, that are beyond the scope identified by the PUB with respect to DSM matters.

MIPUG RESPONSE TO HYDRO’S REFUSAL:

Please see MIPUG Comprehensive DSM Response dated February 5, 2015.



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Section:	Tab 2	Page No.:	48-49
Topic:	Enhanced Power Smart Program		
Subtopic:			
Issue:			

PREAMBLE TO IR (IF ANY):

Hydro states that: “the Corporation has completed a more comprehensive assessment of the condition of its assets and the capital requirements associated with the renewal of its existing asset base, and is pursuing an enhanced Power Smart program with a significantly higher level of investment. As such, there is now more certainty with respect to Manitoba Hydro’s investment requirements than there has been in the recent past.”

QUESTION:

Please provide a list of all PowerSmart programs proposed that have rate-negative impacts to customers at the existing level of rates.

RATIONALE FOR QUESTION:

MIPUG to review DSM programming generally regarding the rate impacts, especially to GSL customers where possible.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

This IR is outside the scope of this proceeding based on the PUB’s direction in Order 18/15. In its Order, the PUB considered the specific details of Manitoba Hydro’s DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT review and specifically rejected the proposed evidence of Mr. Chernick on DSM targets and specific measures to achieve the targets. Further, and consistent with the above-noted finding, the PUB stated that it intended to focus its review “...on the reasonableness of and justification for, Manitoba



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Hydro's projected DSM expenditures during the test years.” This IR requests information regarding targets and measures, as well as information outside the test years, that are beyond the scope identified by the PUB with respect to DSM matters.

MIPUG RESPONSE TO HYDRO’S REFUSAL:

Please see MIPUG Comprehensive DSM Response dated February 5, 2015.



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Section:	Appendix 5.6	Page No.:	
Topic:	Depreciation		
Subtopic:	Peer Reviewed Utilities		
Issue:			

PREAMBLE TO IR (IF ANY):

MH Exhibit #57 from the 2012/13 & 2013/14 GRA provided the utilities that Mr. Kennedy reviewed and relied upon in the selection of average service life recommendations. PUB/MH I-85 indicated the depreciation methodology employed in other Canadian jurisdictions at the time of the 2012/13 & 2013/14 GRA and compared ASL and ELG.

QUESTION:

Please update PUB/MH I-85 a) indicating the depreciation methodology employed in other Canadian jurisdictions and in particular where Equal Life Group (ELG) has adopted for rate-setting purposes.

RATIONALE FOR QUESTION:

MIPUG is reviewing the depreciation study including any changes that have occurred since the 2010 depreciation study.

RESPONSE:

RATIONALE FOR REFUSAL TO ANSWER THE QUESTION:

The information requested in this IR is not readily available to Manitoba Hydro. Given the passage of time and the divergence in practice with respect to the financial reporting frameworks (IFRS, US GAAP) used by Canadian and/or U.S. Electrical Utilities, current information to what was provided in PUB/MH 1-85(a) from the 2012/13 & 2013/14 GRA is not readily available, and not capable of being represented in a meaningful way through a simple update.



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MIPUG RESPONSE TO HYDRO'S REFUSAL:

1. **PUB Confirmation:** The PUB has asked nearly the same IR as MIPUG/MH-I-16(b). In this, the PUB has already signaled that the response is relevant and in-scope.
2. **Relevance:** In MIPUG's view, this information is relevant and required to help inform the Board of methods used by other utilities in the treatment of depreciation for rate regulation purposes and to get a better understanding of the rationale for the methods in rate setting. As part of its own normal internal due diligence, certainly Gannett Fleming (and perhaps Hydro) should already have this information readily available. The depreciation study specifically notes that it looks at peer utilities as one form of evidence of service lives.
3. **Usefulness:** The requested information assisted parties in the 2012/13 & 2013/14 GRA in understanding the adoption and implementation of depreciation methods used by Canadian utilities and the background used by Hydro's depreciation consultant when preparing Hydro's most recent study. MIPUG relied upon the information in the preparation of its evidence, cross-examination and argument.
4. **Only Seeking Update:** Re: MIPUG/MH I-16(b) if no changes have been made, then Hydro need simply confirm that these responses from the previous GRA remain valid.
5. **Workload:** Re: MIPUG/MH I-16(a) the response from Hydro is simply providing documents that are in the public domain and are presumably in the possession of both Hydro and Gannett Fleming as they are relied upon in doing peer utility comparisons. There is minimal if any drafting or analysis required.

MIPUG seeks adjudication from the Board on MIPUG/MH I-16b.

APPENDIX F - HEARING TIMETABLE

Step in the Hearing	Due Date (No Later Than)
Manitoba Hydro to file Letter of Application	Friday, January 16, 2015
PUB Approval of the Public Notice	Tuesday, January 20, 2015
Manitoba Hydro to file Supporting Material	Friday, January 23, 2015
Publish Public Notice in Daily/Weekly Newspapers	January 24 to 30, 2015
Application Overview Workshop –hosted by MH	Tuesday, January 29, 2015
Interested Parties to Register (with PUB and MH) for Intervener Status	Tuesday, February 03, 2015
Pre-Hearing Conference at PUB Hearing Room @ 9:30 AM	Thursday, February 05, 2015
Manitoba Hydro in Receipt of Round 1 Information Requests	Wednesday, February 18, 2015
Manitoba Hydro to File Responses to Round 1 Information Requests	Thursday, March 12, 2015
Manitoba Hydro to File Responses to Round 1 Information Requests Adjudicated by Board Order 33/15	Friday, March 20, 2015
Manitoba Hydro in Receipt of Round 2 Information Requests	Thursday, March 26, 2015
Manitoba Hydro to File Responses to Round 2 Information Requests	Friday, April 17, 2015
All Parties in Receipt of Intervener Evidence	Friday, April 24, 2015
All Parties File Information Requests of Intervener Evidence	Friday, May 1, 2015

Interveners to File Responses to Information Requests	Tuesday, May 12, 2015
Manitoba Hydro to File Rebuttal Evidence	Wednesday, May 20, 2015
GRA Hearing Commences	Monday, May 25, 2015

Notes to the hearing schedule:

1 All parties should make best efforts to file Information Requests in advance of the due date. This gives parties answering Information Requests additional time to prepare responses.