

**Order No. 54/16**

**MANITOBA HYDRO: INTERIM EX PARTE APPROVAL  
CURTAILABLE RATE PROGRAM  
REFERENCE DISCOUNT, EFFECTIVE APRIL 1, 2016**

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**April 26, 2016**

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

## **1.0 BACKGROUND**

On April 22, 2016, Manitoba Hydro (MH) applied to the Public Utilities Board (Board) for interim *ex parte* approval of MH's Curtailable Rate Program (CRP) Reference Discount, effective April 1, 2016. MH's application was made pursuant to the CRP Terms and Conditions of Service, which were approved by Board Order 73/15.

Under the Terms and Conditions of Service, MH is required to file the CRP Reference Discount adjusted for inflation on an annual basis. MH proposed the CRP Reference Discount rate be increased from \$3.40/kW (reflected in the current rate) to \$3.43/kW of curtailable load effective April 1, 2016. The inflation adjustment factor is +0.9%, as reflected in the Consumer Price Index published by Statistics Canada (April 22, 2016).

## **2.0 BOARD FINDINGS**

The Board has reviewed MH's application and will approve, on an interim *ex parte* basis, an amended CRP Reference Discount Rate effective April 1, 2016.

### 3.0 IT IS THEREFORE ORDERED THAT:

1. Manitoba Hydro's application for approval of the Curtailable Rate Program Reference Discount of \$3.43/kW month of Curtailable Load (as set out in attached Schedule A) BE AND IS HEREBY APPROVED on an interim *ex parte* basis effective April 1, 2016.
2. This Interim Order shall be in full force and effect until confirmed or otherwise by a further Order of the Board, to follow a public hearing.

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](http://www.pub.gov.mb.ca).

THE PUBLIC UTILITIES BOARD

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

"Kurt Simonsen"  
Acting Secretary

Certified a true copy of Order No. 54/16 issued  
by The Public Utilities Board



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Acting Secretary

**Schedule A**  
**CURTailable RATE PROGRAM**  
**REFERENCE DISCOUNT**  
**APRIL 2016**

**FORMULA:**

The Monthly Reference Discount shall equal the Generation Deferral benefits, expressed in Canadian Dollars for 2011/12, and adjusted on a cumulative basis by the annual inflation factor as of April 1 of each fiscal year.

The calculation of the value of the monthly reference discount as of April 1, 2016 is below.

The value of the annual inflation adjustment published by Statistics Canada is as per Schedule B.

	<b>April 1, 2012</b>	<b>April 1, 2013</b>	<b>April 1, 2014</b>	<b>April 1, 2015</b>	<b>April 1, 2016</b>
<b>Base Reference Discount</b>	\$ 3.17	\$3.21	\$ 3.28	\$ 3.36	<b>\$3.40</b>
<b>Inflation % *</b>	1.4%	2.3%	2.3%	1.2%	<b>0.9%</b>
<b>Adjustment \$</b>	\$ 0.04	\$0.07	\$0.08	\$0.04	<b>\$0.03</b>
<b>Adjusted Reference Discount</b>	\$3.21	\$ 3.28	\$ 3.36	\$3.40	<b>\$ 3.43</b>

\*The annual inflation factor for Manitoba is set out in the following table generated by Statistics Canada.

## Schedule B

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

	March 2015	February 2016	March 2016	February 2016 to March 2016	March 2015 to March 2016
	2002=100			% change	
Man.					
All-items	126.6	126.6	127.8	0.9	0.9
Food	140.7	143.0	143.1	0.1	1.7
Shelter	136.9	139.2	139.3	0.1	1.8
Source: Statistics Canada, CANSIM, table 326-0020 and Catalogue nos. 62-001-X and 62-010-X. Last modified: 2015-04-22					