

2015 COST OF SERVICE METHODOLOGY REVIEW

Manitoba Hydro Undertaking # 25

Manitoba Hydro to explain, in Schedule C6 and C8, the basis for distribution and operating costs being re-functionalized from sub-transmission to distribution.

Response:

It is assumed that the Undertaking is asking about Depreciation and Operating costs in Schedules C6 and C12. The schedules include a row which is titled “Common Subtransmission Costs”, but which also includes SCC’s for Common Subtransmission and Distribution costs related to system planning. These costs are prorated between Subtransmission and Distribution on the basis of relative operating cost of each function in Schedule C12, and depreciation in Schedule C6.