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VIA EMAIL

Public Utilities Board of Manitoba
400 – 330 Portage Avenue
Winnipeg, MB R3C 0C4

Attention: **Darren Christle / Kurt Simonsen**

Dear Sirs:

Re: **Written Submissions by All Parties – Order No. 84/16**

In Order No. 84/16 the Public Utilities Board directed that all Parties are to submit written submissions on issues not identified as key issues for oral evidence.

The following are the written submissions of the General Service Small and General Service Medium Customer Class (“GSS/GSM”) filed in accordance with Order No. 84/16. These written submissions are in addition to the Intervenor Evidence and the Rebuttal Evidence previously filed on behalf of the GSS/GSM. Further, they will be limited to the issues of Uniform Rate Adjustment (“URA”) and the Affordable Energy Fund (“AEF”). It is submitted that the URA and the AEF in the cost and service study are of particular interest to the GSS/GSM.

In that regard, it is submitted that the URA enforces equalized rates for power supply to a class of customers throughout the Province of Manitoba. This adjustment is taken from net export revenue and added to the Residential, GSS, GSM and Street Lighting classes. Whereas, the AEF is a \$35 million fund, comprised of 5.5% of 2006/07 growth export revenues. These funds were set aside for province-wide, low income initiatives with a balance of \$6 million remaining to be spent as of March 31, 2015. Like the URA, the AEF is directly assigned to the export class.

Simply put, it is respectfully submitted that these policy-based adjustments are a divergence from cost of service principles as their cause cannot be linked to exports, and should be removed from the cost of service study.

Yours truly,

HILL SOKALSKI WALSH OLSON LLP

Per:

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