



News Release

March 31, 2012

By Order 32/12, the Public Utilities Board (PUB) responds to an urgent Manitoba Hydro (MH) interim rate application and approves an interim rate increase of 2.0%, for all customer classes, to take effect April 1, 2012.

Concurrently, PUB denies MH's requests to include, in its 2011/12 fiscal year revenues and Net Income, the approximate \$23 million accumulated in the deferral account established in Order 5/12.

PUB continues to be concerned about possible major domestic rate increases that may be required if MH proceeds with its major capital development plans (which involve an estimated capital expenditure of \$20 billion). PUB remains of the view that the government should call for a Needs For And Alternatives To (NFAAT) study of MH's proposed major development plans. This study should be conducted by an independent and expert panel, tasked with examining MH's proposed major development plan in light of today's marketplace and available generation and transmission alternatives.

PUB also directs MH to file a fulsome General Rate Application, for a public hearing to be held as soon as is reasonably possible - at that hearing, and among other matters, PUB will review and may vary the interim rate increase now being approved.

The Order and previous Board orders related to MH may be found on PUB's website - www.pub.gov.mb.ca.

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