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November 16, 2017

The Public Utilities Board of Manitoba  
Attention: Mr. Kurt Simonsen  
Associate Secretary  
400-330 Portage Avenue  
Winnipeg, MB R3C 0C4

Dear Mr. Simonsen:

**Re: Manitoba Hydro 2017/18 and 2018/19 GRA – Responses to  
information requests**

This letter is written on behalf of the Consumers Coalition and the Manitoba Industrial Power Users Group.

In the course of responding to information requests, these interveners have identified a number of questions which expressly or implicitly seek to explore how rate making for Manitoba Hydro might evolve. In essence, these questions in whole or in part invite consideration of issues which may go beyond the scope of the evidence filed by the experts or the immediate question of what rate should be approved in the current general rate application to broader considerations relating to regulatory Financial Targets, Minimum Reserves and conveying rate setting confidence to outsiders. These information requests include but are not limited to MH/MIPUG-10, BCM/MIPUG-29, BCM/MIPUG-13, 14, PUB/Coalition-30, 31, 32, 33 and GSS-GSM/Coalition 1, 2.<sup>1</sup>

The Consumers Coalition and the Manitoba Industrial Power Users Group appreciate the intent of these questions. In an effort to be constructive both for the rate application and for the broader regulatory dialogue, their experts have chosen to offer some preliminary thoughts on possible considerations for the rate setting framework.

Within the time constraints of the interrogatory process and recognizing gaps in information, the independent experts retained by the Consumers Coalition and the Manitoba Industrial Power Users Group have attempted to respond to these questions in a way that promotes further discussion both within this General Rate Application and beyond.

As noted by MPA in its response to PUB/Coalition 31:

Please note that these questions invite consideration of possible new and alternative ways of managing certain issues related to Manitoba Hydro rates. While MPA is pleased to offer

<sup>1</sup> It should be noted that MPA has been jointly retained by the Consumers Coalition and the Manitoba Industrial Power Users Group.

suggestions and ideas, it should be recognized that these are necessarily tentative and reflective of the limited time and resources available during a regulatory process. Adequately reviewing all possible pros and cons of new options is well beyond the limitations of an IR response in a regulatory process. It would be very much appreciated if the following response was understood in this light.

The answers provided offer some preliminary thoughts of different experts but do not necessarily represent their final opinion or recommendation. In addition, these responses have not been shared with the respective parties and do not necessarily reflect the ultimate position of either intervener. The Consumers Coalition and the Manitoba Industrial Power Users Group look forward to exploring these thoughts further in the course of the oral proceedings.

While consideration of issues relating to regulatory Financial Targets, Minimum Reserves, and conveying rate setting confidence to outsiders may be quite important for the ultimate rate determination in this proceeding, the Consumers Coalition and the Manitoba Industrial Power Users Group also recognize that preliminary thoughts expressed in a number of information responses may require more extensive deliberation after the General Rate Application concludes. If the Board expresses a desire to further explore certain issues it may be necessary to convene a supplemental process such as a generic hearing or a technical working group.

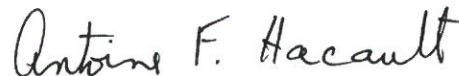
Thank you for your consideration of these comments.

Yours truly,



BYRON WILLIAMS  
DIRECTOR

THOMPSON DORFMAN SWEATMAN LLP  
Per:



ANTOINE F. HACAULT\*  
AVOCATS ET NOTAIRES

\*The services of Antoine F. Hacault are provided through A. F. Hacault Law Corporation

BW/AH/kd

*Enclosures*

cc: Manitoba Hydro  
Bob Peters, Board Counsel  
Dayna Steinfeld, Board Counsel  
All Intervenors on Record