



# Public Utilities Board – GRA Presentation December 8, 2025

Keystone Agricultural Producers





# Welcome & Introduction

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# Who We Are



## We are here to help farmers succeed!

### Our Vision

A prosperous future for all Manitoba farmers.

### Our Mission

Our core mission is to be the voice for farmers, addressing their most important issues. KAP is dedicated to leading progress, promoting transparency, and showcasing farmers' true impact and contribution to key audiences.

**Manitoba's general farm organization, founded in 1984**



# Our Membership: 2024-25



	<b>YTD 2024</b> <b>October 31, 2024</b>	<b>YTD 2025</b> <b>October 31, 2025</b>
<b>Members</b>	<b>4600</b>	<b>4422</b>
<b>Supporters</b>	<b>926</b>	<b>1004</b>
<b>Opt-Outs</b>	<b>330</b>	<b>324</b>

*Note: Completed the 2023-24 year with a total of 4914 members, 920 supporters, and 337 opt outs*

# Commodity Group Members (20)



# Manitoba farms – Background



- 14,543 farm operations
- Average size of 1,177 acres
- Total of 17.1 million acres
- Agriculture & agri-food contribute 7% to GDP
- \$9.28 billion in agricultural exports in 2024
- Economic driver of rural communities
- Price takers, not price makers



# Issues facing agriculture



- Trade & relationships with major partners
- *Increased input costs*
- *Farm transition*
- *Labour shortages & disruptions*
- AAFC cuts (e.g. research funding)
- Regulation of drones
- Biofuel policy
- Education property tax
- Building Code
- ESG, sustainability, biodiversity & soil health
- Right to Repair



# Concerns with Rate Increase



- Input costs all increasing (fuel, labour, land, taxes, machinery, pesticides, seed)
- Tariffs causing enough uncertainty and cost increases to farms
- Farms have little control over hydro use and are dependent on the weather
- Price takers – cannot pass along input cost increases
- Upgrades to three-phase already cost prohibitive
- Low-cost to power is a key reason businesses choose MB (i.e. processors)



# Manitoba farms & energy use



- In 2022, farmers spent \$107mil on electricity in Manitoba
  - This rose 6.5% in 2024 to \$114mil
- Assuming static use, a 3.5% increase would be \$117.9mil in 2026, \$122.1mil in 2027, and \$126.39mil in 2028
- Hydro is one of many input costs
- Farm operations in Manitoba are diverse (hog barn vs. corn/sunflower vs. beef herd)



# Examples of how farms use power



- Irrigated potato production
  - Use pumps to draw water
  - Irrigation pivots to spray
  - Precise temperatures to store
- Confined livestock
  - Temperature for animal welfare
  - Ventilation
  - Auto feeding, watering, cleaning
- Grains, oilseeds & pulses
  - Grain conditioning and aeration (Aug-Nov typically)
  - Grain drying
  - Heating shops



# Conclusion



- MB Hydro should strive to keep rates stable for MB farmers, given inability to pass on costs and other rising inputs
- Competitive advantage to MB farms, businesses is hydro costs - businesses that farmers rely on for success (e.g. processors)
- Manitobans have no other alternative with Hydro having a captive market for power
- Farms are energy intensive, but cyclical nature and diversity of operations make this variable across different farms
- Energy efficiency program incentives for farms should be enhanced



# Thank You!



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