Order No. 100/26

MANITOBA HYDRO

2025 INTEGRATED RESOURCE PLAN
AND MAJOR NEW FACILITIES REVIEW

BATTERY STORAGE AFFIDAVIT EVIDENCE
RULE 35 MOTION RESPECTING MEED/MH II-12

July 3, 2026

BEFORE: Robert Gabor, K.C., Chair
Marilyn Kapitany, B.Sc.(Hon), M.Sc., Vice-Chair
Hugh Grant, Ph.D., Member
Kim Sharman, Member
Kurt Simonsen, BSc., M.N.R.M., Member

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1.0 EXECUTIVE SUMMARY

This Order approves the participation of Mr. Jason Rioux in the Public Utilities Board's ("Board") joint review of Manitoba Hydro's 2025 Integrated Resource Plan ("IRP") and proposed Major New Facilities ("MNF"). The Board requires information about the suitability of battery energy storage systems in cold climates, the reliability and firmness of the service provided by batteries to electricity systems, and capital and operating costs and savings associated with battery systems in order to fulfill its mandate as required by the Government.

Mr. Rioux will participate as a presenter as permitted by Rule 17 of the Board's *Rules of Practice and Procedure* (*"Rules"*). The date and time of Mr. Rioux's presentation will be confirmed in a forthcoming hearing schedule pertaining to public presenters.

In advance of his presentation, Mr. Rioux will be required to make a solemn affirmation to tell the truth in accordance with section 47 of the Board's *Rules*. The Board also authorizes parties to cross-examine Mr. Rioux following his presentation.

The affidavit of Mr. Rioux is accepted onto the record of this proceeding as written evidence provided by a presenter.

The Board also directs that the scope of the oral hearing will be consistent with the scope of this proceeding as established in Orders 39/26 and 68/26.

2.0 BACKGROUND

The Board is engaged in a joint public review of Manitoba Hydro's 2025 Integrated Resource Plan ("IRP") and proposed major new facility. The Board is conducting this joint review process pursuant to Orders in Council 12/2026 and 88/2026, sections 16(3) and 38.1 of *The Manitoba Hydro Act*, CCSM c H190, and the Board's related practice directives.

Board Order 39/26 established the scope of the Board's review of Manitoba Hydro's 2025 IRP, which includes critical assessment of questions outlined in the Terms of Reference attached to Order in Council 12/2026. Among the questions to be addressed by the Board are:

> *6. Have the supply-side and demand-side resources to meet future energy and capacity needs been appropriately considered in terms of*
>
> - *the types of resources included in the plan;*
> - *screening out resources;*
> - *reliability of the cost estimates for the selected resources; and*
> - *selecting preferred resource options?*
>
> *7. Does the IRP appropriately consider how the recommended development plan changes with changes to the underlying inputs and assumptions?*

Board Order 39/26 also established an initial hearing schedule which included two rounds of written information requests addressing Manitoba Hydro's 2025 IRP filing.

2.1 MEED/MH II-12 and Rule 35 Motion

In the second round of written information requests, MEED submitted MEED/MH II-12 which asked Manitoba Hydro to file updated information on the costs and installation

timelines for utility-scale battery energy storage systems. MEED also asked Manitoba Hydro to re-run its IRP optimization model incorporating the updated information.

Manitoba Hydro's response explained that the requested information could not be filed because it was the proprietary property of a third party. Manitoba Hydro also provided an explanation asserting the reliability of its battery-related assumptions in the IRP, and indicated it would not be re-running its optimization model with updated information.

MEED subsequently filed a motion under rule 35 of the Board's *Rules* to compel a further response.

2.2 Battery Evidence Proposal

In the course of submissions supporting MEED's motion, MEED and the Consumers Coalition proposed to file directly with the Board the battery installation pricing and timeline information initially sought through MEED/MH II-12.

MEED's June 1, 2026 submission and correspondence from the Consumers Coalition on June 9, 2026 indicated that these interveners intended to file an affidavit by a representative of a private entity engaged in the sale and installation of utility-scale battery energy storage systems.

The affidavit of Mr. Jason Rioux was filed on June 12, 2026, prior to MEED and the Consumers Coalition receiving responses from parties or from the Board respecting the proposed affidavit.

After the affidavit was filed, the Board received submissions from Manitoba Hydro, MEED, and the Consumers Coalition. These submissions addressed the purpose and contents of Mr. Rioux's affidavit, whether the affidavit should be admitted onto the record of this proceeding, and the appropriate role, if any, for Mr. Rioux in the Board's public hearing.

2.3 Scope of Oral Hearing

The Board's hearing schedule set in Orders 39/26 and 68/26 invited parties to make written submissions on June 19, 2026 addressing the scope of the Board's oral hearing,

and whether any issues within the scope of this proceeding should be dealt with only by way of written evidence.

3.0 PARTICIPATION OF MR. JASON RIOUX

The affidavit of Mr. Jason Rioux provides the Board with Mr. Rioux's statements respecting his recent experience conducting battery energy storage installations in Canada. The affidavit presents information about capital costs and deployment lead times from recent projects, as well as information about the suitability of battery energy storage systems in cold climates, the reliability and firmness of the service provided by batteries to electricity systems, and operating costs and savings associated with battery systems.

3.1 MEED and Consumers Coalition Position

MEED and the Consumers Coalition submit that the cost- and timeline-related assumptions relied on in Manitoba Hydro's 2025 IRP respecting utility-scale battery storage systems are out of date or inaccurate. MEED and the Consumers Coalition also submit that the more recent battery pricing information provided by Manitoba Hydro in response to MEED/MH II-12 is similarly out of date relative to the contents of Mr. Rioux's affidavit. These interveners submit that without Mr. Rioux's affidavit, the evidentiary record contains a material gap because of the lack of up-to-date information respecting battery storage systems.

MEED and the Consumers Coalition further submit that the information contained in Mr. Rioux's affidavit is relevant to the Board's consideration of resource options assessed by Manitoba Hydro in its IRP, and its consideration of the need for and alternatives to Manitoba Hydro's proposed combustion turbines.

MEED and the Consumers Coalition also submit that the evidence responds to a finding by Daymark Energy Advisors, the Board's independent expert consultant, whose report indicates that "battery storage is one of the few resources available to meet near-term capacity needs and, as such, should receive additional consideration by Manitoba Hydro."

MEED and the Consumers Coalition submit that the nature of Mr. Rioux's evidence does not require him to be qualified as an expert, but that his experience and expertise would support such a qualification if deemed necessary by the Board.

MEED and the Consumers Coalition submit that the credibility and reliability of Mr. Rioux's evidence is not diminished by his commercial interest in promoting battery storage systems in Manitoba. MEED and the Consumers Coalition submit that the information is accurate based on Mr. Rioux's experience, and that it would be counter to his interests to provide inaccurate information.

Finally, MEED and the Consumers Coalition submit that no party is prejudiced by the timing or manner in which Mr. Rioux's affidavit has been provided to the Board.

3.2 Manitoba Hydro's Position

Manitoba Hydro submits that permitting Mr. Rioux to participate in this proceeding would be highly unusual, inappropriate, and procedurally unfair. Manitoba Hydro asks the Board to strongly rebuke the actions of MEED and the Consumers Coalition in filing this information at this late stage in the proceeding, to not accept Mr. Rioux's affidavit onto the record, and to not permit Mr. Rioux to participate.

Manitoba Hydro submits that the evidence should not be admitted because it has been filed too late in this proceeding to allow it to be thoroughly tested.

Manitoba Hydro also submits that the filing of this evidence by MEED and the Consumers Coalition is an attempt to broaden the scope of their approved interventions, and that these interveners have circumvented the appropriate procedural steps for amending the scopes of their interventions.

Manitoba Hydro also submits that the affidavit of Mr. Rioux is not reliable due to Mr. Rioux's commercial interest in promoting his employer's products. Manitoba Hydro submits that Mr. Rioux is neither an independent nor a neutral witness, and that inclusion of information from a single supplier would impair the fairness of this proceeding.

Manitoba Hydro recommends that if Mr. Rioux is permitted to participate in this proceeding, the Board should admit him only as a presenter pursuant to Rule 17 of the Board's *Rules*.

Finally, in response to MEED's motion respecting MEED/MH II-12, Manitoba Hydro notes that its response to the information request already supplied all relevant information. Manitoba Hydro submits that it has already explained how 2025 battery cost data would affect its conclusions in the 2025 IRP.

3.3 Board Findings

The Board approves Mr. Rioux to participate as a Presenter under Rule 17. The Board also accepts Mr. Rioux's affidavit onto the record of this proceeding as written evidence provided by a presenter as permitted by Rule 17(1).

The Board finds the credibility of resource option assumptions underlying Manitoba Hydro's 2025 IRP to be highly relevant to the issues before it in this proceeding.

The Board also finds that the cost and timeline information provided in the affidavit of Mr. Rioux is different than the updated information provided by Manitoba Hydro in its response to MEED/MH II-12. The Board finds that the admission of Mr. Rioux's evidence onto the record of this proceeding and the opportunity for parties to test his evidence will assist the Board in fulfilling its mandate.

Mr. Rioux will be permitted to make an oral presentation to the Board pursuant to Rule 17(3). The Board will require Mr. Rioux to make a solemn affirmation in accordance with rule 47 of the Board's *Rules* pursuant to Rule 17(4). The Board also authorizes parties to cross-examine Mr. Rioux as permitted by Rule 17(5). The time available for cross-examination of Mr. Rioux may be limited and parties are directed to coordinate requests for cross-examination time through Board counsel.

The Board makes no findings on the credibility or reliability of the contents of Mr. Rioux's affidavit at this time. The Board will determine the weight to be afforded to Mr. Rioux's evidence after hearing his testimony, cross-examination, and parties' submissions on the reliability and credibility of his evidence at the conclusion of the hearing.

The date and time of Mr. Rioux's presentation will be addressed at a later date together with the scheduling of all public presentations.

4.0 MEED RULE 35 MOTION SEEKING A FURTHER RESPONSE TO MEED/MH II-12d

Throughout its submissions respecting the participation of Mr. Rioux, MEED maintains its request for a further response to MEED/MH II-12d as sought in its May 27, 2026 motion.

MEED/MH II-12d asks Manitoba Hydro to re-run its optimization model using more recent battery storage assumptions and updated costs of combustion turbine facilities. MEED's June 1, 2026 reply submission respecting its motion specified that the model should be re-run using the cost and timeline information contained in the affidavit of Mr. Rioux.

4.1 MEED's Position

MEED submits that a new model run is necessary because of the material decline in prices for battery systems relative to the assumptions used in the 2025 IRP. MEED submits that it is critical for the Board to understand how changes in pricing will affect Manitoba Hydro's modelling, the outputs of the model, and Manitoba Hydro's recommended development plan.

MEED also submits that Manitoba Hydro will have the opportunity to challenge the updated battery storage information during the hearing if it chooses, even if it completes the model run before the hearing.

4.2 Manitoba Hydro's Position

Manitoba Hydro declines to re-run the model and submits that MEED's motion should be dismissed. Manitoba Hydro submits that its response to the information request should be considered complete and appropriate under the circumstances.

Manitoba Hydro also submits that a new model run using unverified data, as proposed by MEED, is neither appropriate, warranted, nor useful.

Manitoba Hydro submits that future IRPs will consider and appropriately review the latest battery storage information, and that doing so at this stage of the current proceeding would require significant time and effort.

Manitoba Hydro also made numerous submissions respecting the appropriateness of admitting the information provided by Mr. Rioux onto the record of this proceeding and of relying on it for planning purposes. These submissions are summarized above.

4.3 Board Findings

The Board finds that updated assumptions respecting resource option costs and timelines and the effects of these assumptions on Manitoba Hydro's recommended development plan are relevant in this proceeding.

The Board also recognizes the demands on parties at the current stage of this proceeding associated with intervener evidence, rebuttal evidence, and preparation for the hearing.

The Board denies MEED's request for a new model run incorporating updated information relating to batteries and combustion turbines. In doing so, the Board relies on information provided by Manitoba Hydro in response to motions following Round 1 information requests respecting the time required to complete model runs. The Board finds that the results of any new model run, even if available on an expedited basis, could not be adequately tested or analyzed prior to beginning of the hearing.

5.0 SCOPE OF ORAL HEARING

The Board received submissions on June 19, 2026 from Manitoba Hydro, the Consumers Coalition, the General Service Small/Medium intervener group, MEED, the Manitoba Industrial Power Users Group, Manitoba Keewatinowi Okimakanak, and the Wa Ni Ska Tan Alliance.

5.1 Positions of the Parties

Manitoba Hydro recommends that the scope of oral evidence in the Board's public hearing be limited to matters where direct questioning will materially assist the Board in its formulation of recommendations to government. Manitoba Hydro recommends that a number of issues be excluded from the oral hearing, including engagement, modelling, exports and interconnections to other utilities, energy efficiency, transmission and distribution investments, the time period beyond 2035, and matters routinely addressed in rate application proceedings.

Interveners generally oppose restrictions on the scope of the oral hearing. Intervener submissions argue that testing evidence through cross-examination is important and necessary, particularly in light of the compressed timelines through the discovery portion of this proceeding. Interveners also submitted that the exclusion of issues while the evidentiary record is still developing would be premature, recognizing that certain evidence and responses to information requests by interveners' independent experts remain to be filed. Interveners further submit that excluding issues from the hearing would not improve hearing efficiency, and would not benefit the Board in conducting its first review of a Manitoba Hydro IRP.

5.2 Board Findings

The Board finds that it is not appropriate to limit the scope of issues to be addressed in the oral hearing.

The Board recognizes the timeline in this proceeding has affected opportunities to test written evidence, including by the availability of only one round of information requests on

Manitoba Hydro's MNF filing, and the lack of opportunity to ask information requests respecting certain intervener evidence.

The Board directs that all issues deemed within the scope of this proceeding by Orders 39/26 and 68/26 are within the scope of the oral hearing.

6.0 IT IS THEREFORE ORDERED THAT:

1. Mr. Jason Rioux is approved to participate as a presenter pursuant to Rule 17 of the Board's *Rules*. Mr. Rioux will be required to make a solemn affirmation and undergo cross-examination pursuant to rules 17(4), 47, and 17(5).

2. The motion of MEED for a further response to MEED/MH II-12d is dismissed.

3. All issues within the scope of this proceeding as determined in Orders 39/26 and 68/26 are within the scope of the Board's oral hearing.

Board decisions may be appealed in accordance with the provisions of Section 58 of *The Public Utilities Board Act*, or reviewed in accordance with Section 58 of the Board's Rules of Practice and Procedure. The Board's Rules may be viewed on the Board's website at www.pubmanitoba.ca.

THE PUBLIC UTILITIES BOARD

"Robert Gabor, K.C."
Panel Chair

"Rachel McMillin, B.Sc., MPA"
Secretary

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R McMillin

Secretary