Development Plan Evaluation Timeline

This general breakdown provided below applies to a situation where Manitoba Hydro's annual planning assumptions including the MH Load Forecast, export price forecasts (electricity, natural gas and carbon), economic indicators and capital cost assumptions have been established and incorporated into the models. Changes to these major assumptions can take several weeks to be incorporated into the models.

As shown below, once the major assumptions have been incorporated into the models, development plan analysis for an individual development plan where only a single input is changed can take anywhere from 7-14 days allowing for work to be done concurrently.

1. Adjust/confirm major inputs to SPLASH model (1-5 days) including:
   a. Load
   b. Plant ISDs
   c. Electricity Prices
   d. Thermal Burn Prices
   e. Export Contracts
   f. Interconnection Limits
   g. Other

2. Develop and confirm Supply/Demand Tables (1 day)

3. Setup and run the SPLASH model (1-2 days)

4. Evaluate SPLASH results including verification of system operation, resource dispatch, net flow related revenues (1 – 3 days)

5. Repeat steps 1 through 5 as needed (1-5 days). For example, gas optimization requires the repeat of steps 2 through 5 to determine the optimal gas development plan.

6. Prepare SPLASH output for use in economic evaluation (1/2 – 2 days)

7. Adjust/confirm additional inputs to Economic model (1-5 days) concurrent with steps 1 to 6 including:
   a. Capital Costs[1] (generation, generation outlet transmission and interconnection)
   b. Discount Rate
   c. O&M Expenses

8. Prepare and verify Economic Evaluation results (1 - 2 days)

9. Repeat steps 1 through 8 as needed (3-10 days)

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[1] If capital costs for a particular in-service date have not been prepared an additional one to two weeks is required.

10. Prepare outputs for Financial Evaluation (1 day)
    Once inputs from the economic analysis are received, the financial evaluation of an individual development plan can take approximately 12 to 27 working days, depending on the complexity of the scenario to be analyzed. A breakdown of the process steps and timelines are as follows:

11. Review input data (2 – 7 days)

12. Process revenue, capital and partnership models (5 – 7 days)

13. Generate and test financial forecasting model inputs (1 – 3 days)

14. Process financial forecasting model (1 – 3 days)

15. Review and analyze financial forecast model outputs (3 – 7 days)

16. Repeat steps 1 through 15 as needed