

## City of Winnipeg – Response to Undertakings - February 5, 2018

### Undertaking 66:

City of Winnipeg to review the calculation of energy as a percentage 16 of input presented by Dr. Yatchew, including the table in his evidence. The City of Winnipeg will reconcile that to the 1.71 percent for 2013 contained in its evidence at page 6, and the conclusion of 1.4 percent.

#### Response:

Dr. Yatchew used the same source data but chose to use a different denominator in establishing the analysis which provides a different conclusion. Dr. Yatchew included value-added (and subsidies on products) in addition to intermediate consumption in his total output. For the purposes of the City of Winnipeg's analysis, Tyler Markowsky chose to remove value-added in the denominator, as it includes things like subsidies on production, taxes on production, and social contributions. If the City of Winnipeg rendered its analysis using the assumptions by Dr. Yatchew the conclusion that a rate increase would have a direct and indirect impact on City finances and in turn, on the Citizens and Businesses of Winnipeg would still hold.

### Undertaking 67:

City of Winnipeg to provide the remaining data for the summary of electricity tax revenue for 2017, including the months of October, November, and December, assuming it is available to the City.

#### Response:

Month	Revenue
<b>Jan</b>	1,730,555
<b>Feb</b>	1,449,811
<b>Mar</b>	1,500,375
<b>Apr</b>	1,414,801
<b>May</b>	1,356,175
<b>Jun</b>	1,405,183
<b>Jul</b>	1,477,587
<b>Aug</b>	1,539,207
<b>Sep</b>	1,494,387
<b>Oct</b>	1,271,138
<b>Nov</b>	1,487,272
<b>Dec</b>	1,498,090
<b>Total</b>	17,624,581

**Undertaking 68:**

City of Winnipeg to provide a demonstration that calculates the rate increase incorporated into the chart in their evidence.

Response:

The City of Winnipeg is unable to extract the previous rate increases and replace them with proposed rate increases because the model used to produce the long-run projected operating budget deficit is concentrated at a departmental-level resolution.