

MANITOBA HYDRO 2017/18 & 2018/19 GENERAL RATE APPLICATION
GSS/GSM - KAP
INTERVENER EVIDENCE INFORMATION REQUESTS
COALITION (COMPTON/SIMPSON)
NOVEMBER 15, 2017

GSS/GSM/COALITION - 1

Reference:

The Effect of the Proposed Hydro Rate Increase on the Manitoba Economy, Consideration of multi-year impact of rate increases, page 2

Question:

Your analysis incorporates Manitoba Hydro projected rate increases between 2018-19 and 2024-25. Would you recommend that the Board take all years of projected rate increases into account in considering Manitoba Hydro's current request?

Response:

While the GRA hearings are only about increases for 2017/18, Hydro projects significant increases above inflation and inflation out to 2024/25. We presented detailed information for the 2018/19 year, and cumulative impacts for the remaining six years. Tables 6 & 7 provide interim impact for the two year time frame.

The Coalition adds: Appropriate considerations for rate setting lie outside the role of Dr. Compton and Dr. Simpson. The Coalition observes in Manitoba Hydro's evidence a close analytical link between the proposed achievement of 75/25 debt/equity in 2027 and the extremely high rate increases being proposed. For that reason, the Coalition believes that an analysis beyond the test years is relevant to the Board's deliberations.