

November 29, 2016

Mr. D. Christle
Secretary and Executive Director
Public Utilities Board
400-330 Portage Avenue
Winnipeg, Manitoba
R3C 0C4

Dear Mr. Christle:

RE: Manitoba Hydro - General Rate Application

On April 28, 2016, the Public Utilities Board of Manitoba ("PUB") issued Order 59/16 with respect to Manitoba Hydro's Application for Interim Electricity Rates Effective April 1, 2016. In this Order, the PUB directed that Manitoba Hydro file a comprehensive electric rate application by December 1, 2016 for rates to be effective August 1, 2017.

In May 2016, the Government of Manitoba requested that the Manitoba Hydro Electric Board ("MHEB") conduct a review of the BiPole III Reliability Project. Although the review began with a primary focus on Bipole III, the scope was expanded to include the Keeyask Generating Station, Manitoba Hydro's capital program and ultimately, the overall financial situation and operation of Manitoba Hydro.

On September 21, 2016, the MHEB released the results of its review which determined that Manitoba Hydro must move forward with completion of both the Bipole III Reliability Project and Keeyask Generating Station project. Manitoba Hydro is therefore moving forward and is committed to the completion of these projects with minimal delay and the least possible incremental cost.

The corporation is currently in the process of developing its financial forecast that addresses the risks facing the utility, and considers the conclusions included in the MHEB review. As such, Manitoba Hydro will not be in a position to file its rate application by December 1, 2016. Manitoba Hydro will advise the PUB early in 2017 as to the status of the development of its next rate application.

Should you have any questions with respect to this submission, please do not hesitate to contact the writer at 204-360-3633 or Greg Barnlund at 204-360-5243.

Yours truly,

MANITOBA HYDRO LAW DIVISION

Per:



ODETTE FERNANDES
Barrister & Solicitor