
2017/18 & 2018/19 ELECTRIC GENERAL RATE APPLICATION**Manitoba Hydro Undertaking #57**

To advise the Panel of Manitoba Hydro's calculation of the costs for stopping construction on Keeyask entirely, together with what, if any, rate impacts that would have.

Response:

Based on the analysis prepared in the spring of 2017 and outlined in the response to GSS-GSM/MH I-4, the one-time rate impact of Keeyask cancellation would have been in the order of 10%.

Since the spring, costs spent to the end of December 2017 have increased from \$2.8 billion to \$4.2 billion, or now nearly 50% of the total projected cost. Similarly, progress on project construction would result in higher cancellation costs than cited in the response to GSS-GSM/MH I-4 of \$1.35 billion. When combined with the increase in costs spent, the impact on the one-time rate increase would be higher than the one-time rate increase of 10% calculated in the spring of 2017.