

Minimum Filing Requirement Suggestions of the Manitoba Industrial Power Users Group
Manitoba Hydro 2017/18 General Rate Application

1. A copy of the Berkeley Research Group report as referred to in Manitoba Hydro's 2015 Financial Target Review Report, page 9 and Appendix B, pages 22-24 (available online: https://www.hydro.mb.ca/regulatory_affairs/pdf/electric/supplemental_filing_2015/08_attachment_6_mh_financial_target_review.pdf).
2. Any updated Berkeley Research Group reports prepared for Manitoba Hydro for the purposes of making “use of available data of current futures and options prices to establish an appropriate range of interest rates emerging from the stochastic interest rate generator”.
3. Provide the data and analysis relied upon by Manitoba Hydro of current futures and options prices to establish an appropriate range of interest rates emerging from the stochastic interest rate generator in the latest IFF (re: the Berkeley Research Group approach and methodology).
4. Please provide the analysis and conclusions of all “quantitative and probabilistic risk assessment” conducted on the latest IFF, the form of the December 2015 Financial Targets Review, particularly an updated Figure 3-4, 3-5, 3-6, 4-1, 4-2, and 4-3.

Justification for MFRs 1 - 4:

The Financial Target review filings that were submitted by Manitoba Hydro with the 2016/17 Interim Rate Application (Attachments 6 & 7). Since these attachments were not reviewed as in scope for the interim rate filing, it is anticipated they will be in scope for Hydro’s upcoming GRA. These filings were intended as “additional quantitative analysis undertaken by Manitoba Hydro along with the scenario analysis contained in the KPMG report [Attachment 7] is intended to satisfy the PUB directive from Order 43/13 to file a detailed quantitative and probabilistic risk assessment and review of its operating and financial risks in order to allow it to assess the adequacy of the Corporation’s reserves” (Attachment 6, page ii).

These reports were based on IFF15 while Hydro’s upcoming GRA will likely be based on a new Integrated Financial Forecast. MFRs 1 – 4 relate to Attachment 6, requesting the supporting data for portions of the Attachment and updated information to correspond to IFF Hydro will be filing as justification for its upcoming GRA.

5. If different than Manitoba Hydro's new Integrated Financial Forecast, provide electric operations-only IFF scenarios with the same accounting treatment as provided in response to Attachment 28 (Financial MFR 1 of the 2016/17 Interim Application (reflecting Board directives in Order 73/15 utilizing Average Service Life Depreciation and the continuation of the capitalization of \$20 million in OM&A).

Justification for MFR 5:

MIPUG relied on the financial results of this response in the 2016/17 Interim Rate Application (and Attachment 46 – Financial MFR 1 – Alternate Scenario 2 [OCI Scenario]). MIPUG requests an update to this MFR for the purposes of consistency and comparison in the review and understanding of Hydro's upcoming GRA.

6. Please provide actual and forecast proof of revenue, showing all rates and billing determinants for actual years 2014/15 and 2015/16 and forecast years 2016/17 and 2017/18 consistent with interim rates as of August 1, 2016 and proposed 2017/18 rates [As requested in the 2015/16 GRA in MIPUG/MH-I-4].
7. Update MIPUG/MH-I-25a&b from 2015/16 GRA for 20 year load forecast comparison for the GSL customer classes.
8. Please provide definition and calculations supporting the EFT calculation and vacancy rate utilized. If different than the 2015/16 GRA (MIPUG/MH-I-6c) please explain.
9. Provide average hydraulic energy and net revenue supporting analysis associated with each of the 102 historical flow years consistent with MIPUG/MH-I-9 from the 2015/16 GRA.

Justification for MFRs 6 - 9:

MFRs 6 – 9 consist of key IRs MIPUG asks in GRAs that provide supporting information that to help understand and test Hydro's GRA.