

Manitoba Hydro GRA – Proposed Issues List for PUB Adjudication - JUNE 8.17 - MIPUG Edits

Issue	Notes	MH	CAC	GAC	GSS/GSM	MKO	MIPUG	KAP		
<b>1. Interim Rate Request</b>										
Final approval of 3.36%			In scope but not central focus	In scope but will not be testing this interim rate		Yes	Yes – in context of approval of 7.9%			
New interim of 7.9%			See submissions	See submissions	Yes	Yes	See submissions			
<b>2. Rate Increases and Rate Impacts</b>										
Rate shock and pacing					Yes		Yes			
Impact of increase on consumers, including intergenerational impacts			Yes		Yes	Yes	Yes	Yes		
Macro Economic (Provincial Economy) impacts			Yes		Yes, to the extent that it affects GSS/GSM		Yes	Yes		
Impact on production/industry/businesses			Yes		Yes, to the extent that it affects GSS/GSM		Yes	Yes		
Input/Output models			Yes							
<b>3. Financial Targets/Capital Structure/</b>										
Appropriate financial targets			Yes		Yes		Yes - including purpose, mandate, role and objects of Hydro and Manitoba Hydro Act			
Appropriate Capital structure for Crown utility (debt:equity levels)			Yes		Yes		Yes			
Pacing to achieve financial targets			Yes		Possibly	Yes	Yes			
Cash flow/capital coverage			Yes		Possibly		Yes			

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CFO to CAPEX Ratio							Yes		
Credit rating					Yes		Yes		
Risks					Yes, as these risks affect GSS/GSM		Yes		
Changes in financial assumptions since NFAT						Yes	Yes		
<b>4. Debt Management</b>									
Interest rate forecast, including Berkley Report			Yes		Yes		Yes - only regarding implications		
Debt maturity schedules			Yes						
Change in strategy with debt			Yes		Yes	Yes	Yes		
Debt management					Yes, to the extent that it is different than the immediate above.		Yes		
<b>5. Economic Outlook – Forecast Assumptions</b>									
US Exchange Rates					Yes (somewhat)				
Population			Yes						
GDP									
<b>6. Export Revenues</b>									
Export price forecasts			Yes		Yes	Yes	Yes - only regarding implications		
Changes in export price forecasting methodology			Yes		Yes	Yes	Yes		

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<b>7. Load Forecast</b>									
Impact on domestic revenues					Yes				
Changes in load forecasts: - Residential - GS MM - Top Consumers (PLIL, pipeline load)			Yes		Yes	Yes	Yes – industrial load		
Implementation of price elasticity estimates			Yes		Yes		Yes		
<b>8. Major New Capital</b>									
Cost overruns				Will not be involved in this aspect of review	Yes				
Changes to cost estimates and reliability of budgets			Yes –	Will not be involved in this aspect of review	Yes	Yes			
Current control budgets					Yes		Yes		
Interest costs forecast for projects			Yes		Yes		Yes		
Contingencies			Yes		Yes				
Issues related to revenue requirement and resulting rates					Yes		Yes		
<b>9. Major and Base/Sustaining Capital</b>									
Cost estimating					Possibly	Yes			
Prioritization of expenses			Yes		Possibly		Yes		
Forecast assumptions for			Yes		Yes				

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timing of capital expenditures and tracking of expenditures over time							Yes		
Asset condition assessment			Yes						
Capital expenditures to reliability results			Yes		Possibly				
Asset management methodologies			Yes						
<b>10. OM&amp;A</b>									
Restructuring and change management, including staffing reductions and procurement changes			Yes		Yes				
Labour contracts									
Service levels and quality			Yes		Yes			Yes	
Prioritization									
Testing MH OM&A numbers, including areas of change since NFAT			Yes		Yes	Yes	Yes - General testing of OM&A forecast spending		
Targets for expenses against standard measurables			Yes		Yes				
<b>11. Regulatory Deferral Accounts</b>									
Conawapa Treatment			Yes		Yes	Yes – if changed since NFAT	Yes		
DSM Deferral Account			Yes		Yes	Yes – if changed since NFAT	Yes		
Overhead			Yes		Yes	Yes – if	Yes		

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						changed since NFAT			
ELG v ASL			Yes		Yes	Yes – if changed since NFAT	Yes		
Bipole III			Yes		Yes	Yes – if changed since NFAT	Yes		
<b>12. Bill Affordability</b>									
Results of collaborative process, including testing Prairie Research Associates work, and information that formed part of collaborative process		Yes	Yes	Yes	Possibly	Yes			
Implementation of measures from process			Yes	Yes	Possibly				
Bill Affordability options not arising from collaborative process report, including rate design options to mitigate impacts on consumers			Yes	Yes	Possibly	No			
Further consultation and future implementation of bill affordability measures			Yes	Yes	Possibly				
<b>13. Rate Design</b>									
Conservation rates		Yes	Yes	Yes – including a	Yes				

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				proposed conservation rate					
Time of Use rates		Yes	Yes	Yes	Yes		Yes		
Differentiated rate increases based on implementation of PCOSS18		Yes	Yes	Yes	Yes		Yes		
Marginal cost considerations in rate design			Yes		Yes		Yes		
Cost of Service Study review		No	No	No	Yes		No		
Confirmation that PCOSS18 follows Board's principles		Yes	Yes	Yes	Yes		Yes		
Mitigation of rate impacts			Yes	Yes	Yes	Yes	Yes		
Design of Diesel Rates						Yes			
<b>14. DSM</b>									
DSM spending in test years				Yes	Yes	Yes	Yes		
DSM spending assumptions in forecast					Yes		Yes		
Curtable Rate Program					Yes		Yes		
Pacing and prioritization of spending					Yes		Yes		
DSM program testing					Yes		No		
DSM as it relates to the load forecast			Yes		Yes				
DSM programs for residential consumers			Yes		Yes				
<b>15. Depreciation</b>									
Testing of Board approved methodology					Possibly, if so, not much time would be		Yes		

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					spent under this heading.				
Recovery of difference between ASL and ELG			Yes				Yes		
Accumulated Depreciation Accounts							Probably not		
ASL vs ELG			No			Yes	No		
Changes from NFAT									
<b>16. Diesel Zone</b>									
Capital expenditures to upgrade generating units					Yes	Yes			
Finalization of Diesel Zone rates					Yes	Yes			
Bill reduction issues					Yes	Yes			
<b>17. Risk and Uncertainty Analysis</b>									
					Yes		Yes		
<b>18. Review of Special Rates and Rate Programs</b>									
New streetlighting rates for new fixture configurations					Possibly				
Approval of Option 1 of the SEP									
Approval of previous interim ex parte orders (e.g. CRP)									