

August 18, 2017

Sent by e-mail

Ms. Patricia J. Ramage
Legal Counsel
Manitoba Hydro
22nd floor, 360 Portage Avenue
Winnipeg MB R3C 0G8

Dear Ms. Ramage:

Re: Manitoba Hydro 2017/18 General Rate Application – Round 1 Information Requests

The Board has considered Manitoba Hydro's August 2, 2017 letter together with the August 4, 2017 written comments from Assembly of Manitoba Chiefs and the Consumers Coalition on the above referenced topic.

Manitoba Hydro's request for the Hearing Schedule to be extended to provide additional time for Manitoba Hydro's response to the First Round Information Requests ("IRs") is denied. Extending the time for IR responses would necessitate further Hearing Schedule revisions including a delay in the oral public hearing. Such a delay is not warranted.

The Board approved Hearing Schedule for Manitoba Hydro's Responses to First Round IRs, as attached to Order 70/17, included the six week time period Manitoba Hydro requested at the Pre-Hearing Conference. The Board concurs with the Consumers Coalition that the number of IRs appears to be comparable to prior Manitoba Hydro General Rate Applications ("GRA") even though Manitoba Hydro and Order in Council 92/17 have introduced issues which have broadened the scope of this GRA.

It appears that the largest topic of Consumer Coalition IRs relate to the issues of base/sustaining capital as well as asset assessment and management. As initially requested by Manitoba Hydro and as reflected in Order 70/17, the examination of these topics were to proceed by way of a transcribed evidentiary Technical Conference in which Interveners were to ask questions in lieu of posing written IRs. Manitoba Hydro altered that procedure and as detailed in the Consumer Coalition's August 4, 2017 letter, written IRs were required.

Manitoba Hydro's other suggested option of having Interveners consolidate their IRs cannot be accommodated at this stage of the Hearing Schedule. While the Board agrees with Manitoba Hydro that the Interveners are to collaborate and avoid duplication, the Board is also mindful that Manitoba Hydro's financial update and Integrated Financial Forecast were filed July 11, 2017 – only two weeks before the deadline for First Round IRs.

Absent from Manitoba Hydro's requests of the Board is an indication that any of the IRs are irrelevant or out of scope for the GRA. Manitoba Hydro's August 2, 2017 letter indicates that it had not yet reviewed the July 24, 2017 filed IRs to assess relevance and reasonableness. The Board concurs with Assembly of Manitoba Chiefs that, should Manitoba Hydro determine that there are IRs that may not be relevant or reasonable, Manitoba Hydro should immediately initiate dialogue with the Intervener to resolve the propriety of such IRs. Failing satisfactory resolution, the Board's Rules of Practice and Procedure provide for adjudication by way of a Motion.

Should Manitoba Hydro determine that there is duplication of IRs the Board agrees with the Consumers Coalition and Assembly of Manitoba Chiefs that Manitoba Hydro should cross reference its responses to duplicative questions.

The Board is aware of requests by Board Counsel to determine whether some Interveners are able to prioritize their IRs such that some can be delayed for responses after the September 5, 2017 deadline for Manitoba Hydro's responses to First Round IRs. Together with the list that the Consumer Coalition has provided directly to Manitoba Hydro, attached to this communication is a list of PUB/MH IRs, the responses to which can likewise be delayed. However, Manitoba Hydro must provide responses to the First Round IRs that have been identified as being capable of being delayed in time for follow up questions to be asked and responded to in the time set for Round 2 IRs. The deadline for Round 2 IR responses remains October 16, 2017 as prescribed in Order 70/17. This will ensure that, in the unlikely event there are follow up questions to the IRs responses that are delayed, those can be accommodated.

The Board's intention that Round 2 IRs be restricted to follow up on responses to First Round IRs may have contributed to the volume of First Round IRs and such a future directive will need to be considered following this GRA.

In conclusion, and subject only to the limited exception for the IRs identified by the Coalition and the Board, the Board expects Manitoba Hydro to respond to the First Round IRs by the September 5, 2017 deadline prescribed in Order 70/17.

Yours truly,

"Original Signed By:"

Darren Christle, MPA, B.A., CCLP., P.Log., MCIT
Secretary/Executive Director

DC/dv

Enclosure

c.c. Bob Peters, Board Counsel
Dayna Steinfeld, Board Counsel
Registered Interveners (per attached list)
Greg Barnlund, Manitoba Hydro
Shannon Gregorashuk, Manitoba Hydro