

May 23, 2017

Sent by e-mail

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

Dear Ms. Ramage:

Re: Revised Minimum Filing Requirements of the Public Utilities Board

On March 31, 2017 and April 24, 2017 the Public Utilities Board provided Manitoba Hydro with lists of Minimum Filing Requirements (MFRs) to be answered and included in Manitoba Hydro's 2017/18 General Rate Application filings.

Please substitute the following revised MFRs in place of the original MFRs provided:

Revised PUB MFR 73:

Financial Information

1. Electric operations-only, 20 year IFF scenarios, indicating the financial ratios, to show equal annual rate increases that result in the following debt-to-equity ratios at the end of the following fiscal years. [Following the Board Directives as used in Attachment 46, 2016/17 Interim Application and use an annual rate increase of 2% after the equity target has been achieved,]
 - i. 75/25 in 2035/36; 33/34; 31/32; 26/27; 21/22:
 - ii. 70/30 in 2035/36; 33/34; 31/32; 26/27; 21/22:
 - iii. 80/20 in 2035/36; 33/34; 31/32; 26/27; 21/22:

Revised PUB MFR 89:

- (a) For each project listed in CEF14, a variance analysis comparing the forecast annual and total expenditures from CEF14 to the actual spending to date and updated forecast. Explain any material variances.
- (b) For each of the projects listed in the response to Order 73/15 Directive 15, provide the original cost estimate and the actual cost or forecast at completion cost.

Revised PUB MFR 115:

For each of the capital projects in the following list, provide:

- i. justification (technical and economic) for the proposed expenditures.
- ii. explanations of why each project must be initiated or completed in the test year(s) as opposed to deferring to a future date.
- iii. alternatives to each project, including a “do nothing” alternative, with corresponding costs, benefits or avoided costs, and risks identified.
- iv. the risk analyses that demonstrate why the project must be completed or initiated in the test year.
- v. the asset condition assessment for the assets being replaced or supplemented.

Major New Projects:

1. Kelsey Improvements and Upgrades
2. Kettle Improvements and Upgrades
3. Riel 230kV/500kV Station
4. Pointe du Bois Spillway Replacement
5. Gillam Redevelopment and Expansion Program (GREP)

Major Generation Projects:

6. Pointe du Bois Unit and Accessories Replacement
7. Pine Falls Units 1-4 Major Overhauls
8. Slave Falls Major Overhauls
9. Great Falls Unit 4 Overhaul

Major Transmission Projects:

10. HVDC Transformer Replacement Program
11. Bipole II Thyristor Valve Replacement
12. Dorsey Synchronous Condenser Refurbishment
13. Lake Winnipeg East System Improvements
14. Letellier-St. Vital 230kV Station

Major Distribution Projects:

15. Madison New 115kV/24kV Station
16. Adelaide New 66kV/12kV Station
17. St. Vital 115kV/24kV Station

Base Capital Projects:

18. Rover 4kV Station Salvage & Feeder Conversion
19. Winnipeg Distribution Infrastructure Requirement
20. Grand Rapids Excitation Program
21. McArthur Falls/Pine Falls Breaker Replacement Program
22. Seven Sisters Protection Upgrades
23. Slave Falls G.S. Creek Spillway Rehabilitation
24. Slave Falls Spillway Rehabilitation
25. 13.2kV Shunt Reactor Replacements
26. Enterprise Asset Management (EAM) Phase 2
27. Bi-Pole I & II Spacer Damper Replacements (Phase 2)
28. HVDC BP2 Smoothing Reactor Replacement

29. Southern AC System Breaker Replacements
30. Transmission Transformer Sustainment Capital Program
31. BP1 & 2 DC Converter Transformer Bushing Replacement
32. HVDC BP2 Valve Hall Wall Bushing Replacement

Revised PUB MFR 124:

124. Please provide the following comparative information for the Wuskwatim Project and the Keeyask Project:

- a) Please provide schedules of the Wuskwatim Project cost estimates since CEF03 and Keeyask Project cost estimates since CEF08.
- b) Please describe the project management system incorporated for Wuskwatim for the planning, design, cost estimating, project tendering, material procurement, and overall construction contract(s) management. Please describe what project management systems seemed successful and why. Please define what project management systems were more problematic and explain why the project costs for the Wuskwatim generation and transmission projects exceeded the initial estimates described in a).
- c) Please provide a description of the overall Keeyask project management system. Please describe the lessons learned from the Wuskwatim project and how those lessons were incorporated into the project management systems for Keeyask. Please identify specific project management system changes implemented for the Keeyask project in the planning, design, cost estimating, project tendering, material procurement, and construction contract(s) management.
- d) Please explain the involvement of the First Nations partnership in the overall Wuskwatim and Keeyask project management, including decision-making, budget approval, and contractor selection. Please elaborate on any project management system changes between the Wuskwatim Partnership and Keeyask Partnership.
- e) Please identify the lessons learned from the WHLP agreement(s) and how those lessons were incorporated into the KHLP agreement(s).

Should Manitoba Hydro have any questions of clarifications in respect of the above revised MFRs, please contact our office.

Yours truly,

“Original Signed By:”

Kurt Simonsen
Associate Secretary

KS/dv

cc: Interveners of Record (per attached list)
Bob Peters, Board Counsel
Dayna Steinfeld, Board Counsel
Odette Fernandes, Manitoba Hydro
Greg Barnlund, Manitoba Hydro
Shannon Gregorashuk, Manitoba Hydro