

Manitoba Hydro GRA – Proposed Issues List for PUB Adjudication - JUNE 9.17

Issue	Notes	MH	Coalition	GAC	GSS/GSM	MKO	MIPUG	KAP	AMC	BCoM	Dr. Gray	Mr. Finkle
<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%		In scope, but not our focus			
New interim of 7.9%			See submissions	See submissions	Yes	Yes	See submissions		In scope, central to our submissions			
<b>2. Rate Increases and Rate Impacts</b>												
Rate shock and pacing			Yes	Yes	Yes		Yes		In scope, central to our submissions			
Impact of increase on consumers, including intergenerational impacts			Yes	Yes	Yes	Yes	Yes	Yes	Yes			
Macro Economic (Provincial Economy) impacts			Yes	In scope but will not be involved in this aspect of review (but will monitor and reserves the right to cross-examine and comment in	Yes, to the extent that it affects GSS/GSM		Yes	Yes	Yes, particularly its impact on FN economies in MB			

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				final submission → this applies to all Issues on which GAC will not be involved in the review)								
Impact on production/industry/businesses, and any resulting impact on other classes of consumers			Yes	In scope but will not be involved in this aspect of review	Yes, to the extent that it affects GSS/GSM		Yes	Yes	Yes, particularly its impact on the ability of vulnerable FN industry and business to succeed			
Input/Output models			Yes	In scope but will not be involved in this aspect of review								
<b>3. Financial Targets/Capital Structure/</b>												
Appropriate financial targets			Yes	In scope but will not be involved in this aspect of review	Yes		Yes – including purpose, mandate, role and objects of Hydro and		In scope, but not our focus			

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							Manitoba Hydro Act					
Intergenerational impacts and choices			Yes									
Appropriate Capital structure for Crown utility (debt:equity levels)			Yes	In scope but will not be involved in this aspect of review	Yes		Yes		In scope, but not our focus			
Pacing to achieve financial targets			Yes	In scope but will not be involved in this aspect of review (except as it is linked to rate shock and pacing under "Rate Increases and Rate Impacts"	Possibly	Yes	Yes		Yes			
Cash flow/capital coverage			Yes	In scope but will not be involved in this aspect of review	Possibly		Yes					
CFO to CAPEX Ratio			Yes	In scope but will not be involved in this aspect of review			Yes					
Credit rating			Yes	In scope but will not be	Yes		Yes					

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				involved in this aspect of review								
Risks			Yes	Yes	Yes, as these risks affect GSS/GSM		Yes					
Changes in financial assumptions since NFAT			Yes	In scope but will not be involved in this aspect of review		Yes	Yes					
<b>4. Debt Management</b>												
Interest rate forecast, including Berkley Report			Yes	In scope but will not be involved in this aspect of review	Yes		Yes – only regarding implications					
Debt maturity schedules			Yes	In scope but will not be involved in this aspect of review								
Change in strategy with debt			Yes	In scope but will not be involved in this aspect of review	Yes	Yes	Yes					
Debt management			Yes (efficient frontier)	In scope but will not be involved in this aspect	Yes, to the extent that it is different than the		Yes					

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				of review	immediate above.							
<b>5. Economic Outlook – Forecast Assumptions</b>												
US Exchange Rates				In scope but will not be involved in this aspect of review	Yes (somewhat)							
Population			Yes	In scope but will not be involved in this aspect of review								
GDP			Yes	In scope but will not be involved in this aspect of review								
<b>6. Export Revenues</b>												
Export price forecasts			Yes	Yes	Yes	Yes	Yes – only regarding implications		Yes			
Changes in export price forecasting methodology			Yes	Yes	Yes	Yes	Yes		Yes			
Export prospects and strategies				Yes								
<b>7. Load Forecast</b>												
Impact on domestic revenues				In scope but	Yes				In scope,			

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				will not be involved in this aspect of review					but not our focus			
Changes in load forecasts: - Residential - GS MM - Top Consumers (PLIL, pipeline load)			Yes	Yes	Yes	Yes	Yes – industrial load					
Implementation of price elasticity estimates			Yes	Yes	Yes		Yes					
Domestic utilization projects and strategies affecting load				Yes								
<b>8. Major New Capital</b>												
Cost overruns			Yes	In scope but will not be involved in this aspect of review	Yes							
Changes to cost estimates and reliability of budgets			Yes –	In scope but will not be involved in this aspect of review	Yes	Yes			In scope, but not our focus			
Current control budgets			Yes	In scope but will not be involved in this aspect of review	Yes		Yes					
Interest costs forecast for projects			Yes	In scope but will not be	Yes		Yes					

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				involved in this aspect of review								
Contingencies			Yes	In scope but will not be involved in this aspect of review	Yes							
Issues related to revenue requirement and resulting rates			Yes	Yes	Yes		Yes		Yes			
<b>9. Major and Base/Sustaining Capital</b>												
Cost estimating			Yes	In scope but will not be involved in this aspect of review	Possibly	Yes						
Prioritization of expenses			Yes		Possibly		Yes					
Forecast assumptions for timing of capital expenditures and tracking of expenditures over time			Yes		Yes		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	In scope but will not be involved in this aspect of review	Yes							
Labour contracts			Yes									
Service levels and quality			Yes		Yes			Yes	Yes as it relates to			

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									FN ratepayers, particularly on reserve			
Prioritization			Yes									
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	In scope but will not be involved in this aspect of review	Yes	Yes – if changed since NFAT	Yes		In scope, but not our focus			
DSM Deferral Account			Yes	Yes	Yes	Yes – if changed since NFAT	Yes		In scope, but not our focus			
Overhead		Workshop	Yes	In scope but will not be involved in this aspect of review	Yes	Yes – if changed since NFAT	Yes		In scope, but not our focus			
ELG v ASL			Yes	In scope but will not be involved in this aspect	Yes	Yes – if changed since NFAT	Yes		In scope, but not our focus			



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				of review								
Bipole III			Yes	In scope but will not be involved in this aspect of review	Yes	Yes – if changed since NFAT	Yes		In scope, but not our focus			
<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	Possibly	Yes			Relevant and central to our issue			
Implementation of measures from process			Yes	Yes	Possibly				Relevant and central to our issue			
Bill Affordability options not arising from collaborative process report, including rate design options to mitigate impacts on consumers, and whether assistance from taxpayers or ratepayers is most efficient and effective			Yes	Yes	Possibly	No			Relevant and central to our issue			
Further consultation and future implementation of bill affordability measures			Yes	Yes	Possibly				Relevant and central to our issue			
<b>13. Rate Design</b>												
Conservation rates		Workshop	Yes	Yes – including a	Yes				Yes			

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				proposed conservation rate								
Time of Use rates		Workshop	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		Yes		Yes			
Cost of Service Study review		No	No	Review of compliance, new data and issues not resolved in COSS review	Yes		No		In scope, but not our focus			
Confirmation that PCOSS18 follows Board's principles			Yes	Yes	Yes		Yes		Yes			
Mitigation of rate impacts			Yes	Yes	Yes	Yes	Yes		Yes and central to our issue			
Design of Diesel Rates		No		Yes		Yes			Yes			
<b>14. DSM</b>												
DSM spending in test years			Yes (but may be lower priority than normal)	Yes	Yes	Yes	Yes		Yes			
DSM spending assumptions in forecast			Yes (but may be lower priority than normal)	Yes	Yes		Yes		Yes			
Curtable Rate Program			Yes (but may	Yes	Yes		Yes					

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			be lower priority than normal)									
Pacing and prioritization of spending			Yes (but may be lower priority than normal)	Yes	Yes		Yes		Yes			
DSM program testing		No	Yes (but may be lower priority than normal)	Yes	Yes		No		Yes			
DSM as it relates to the load forecast			Yes (but may be lower priority than normal)	Yes	Yes				Yes			
DSM programs for residential consumers			Yes (but may be lower priority than normal)	Yes	Yes				Yes			
<b>15. Depreciation</b>												
Testing of Board approved methodology		Workshop		In scope but will not be involved in this aspect of review	Possibly, if so, not much time would be spent under this heading.		Yes					
Recovery of difference between ASL and ELG		Workshop	Yes	In scope but will not be involved in this aspect of review			Yes					

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Accumulated Depreciation Accounts		Workshop		In scope but will not be involved in this aspect of review			Probably not					
ASL vs ELG		Workshop	No	In scope but will not be involved in this aspect of review		Yes	No					
Changes from NFAT				In scope but will not be involved in this aspect of review								
<b>16. Diesel Zone</b>												
Capital expenditures to upgrade generating units			Yes	In scope but will not be involved in this aspect of review	Yes	Yes			Yes			
Finalization of Diesel Zone rates			Yes	Yes	Yes	Yes			Yes			
Bill reduction issues			Yes	Yes	Yes	Yes			Yes			
<b>17. Risk and Uncertainty Analysis</b>												
			Yes	Only as it affects other issues, such as rate design and	Yes		Yes		In scope, but not our focus			

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				DSM								
<b>18. Review of Special Rates and Rate Programs</b>												
New streetlighting rates for new fixture configurations			The Coalition expects to monitor this issue	In scope but will not be involved in this aspect of review	Possibly							
Approval of Option 1 of the SEP			The Coalition expects to monitor this issue	Yes								
Approval of previous interim ex parte orders (e.g. CRP)			The Coalition expects to monitor this issue	Yes								