Three alternative electric DSM scenarios assessed beside MH's base Power Smart Plan

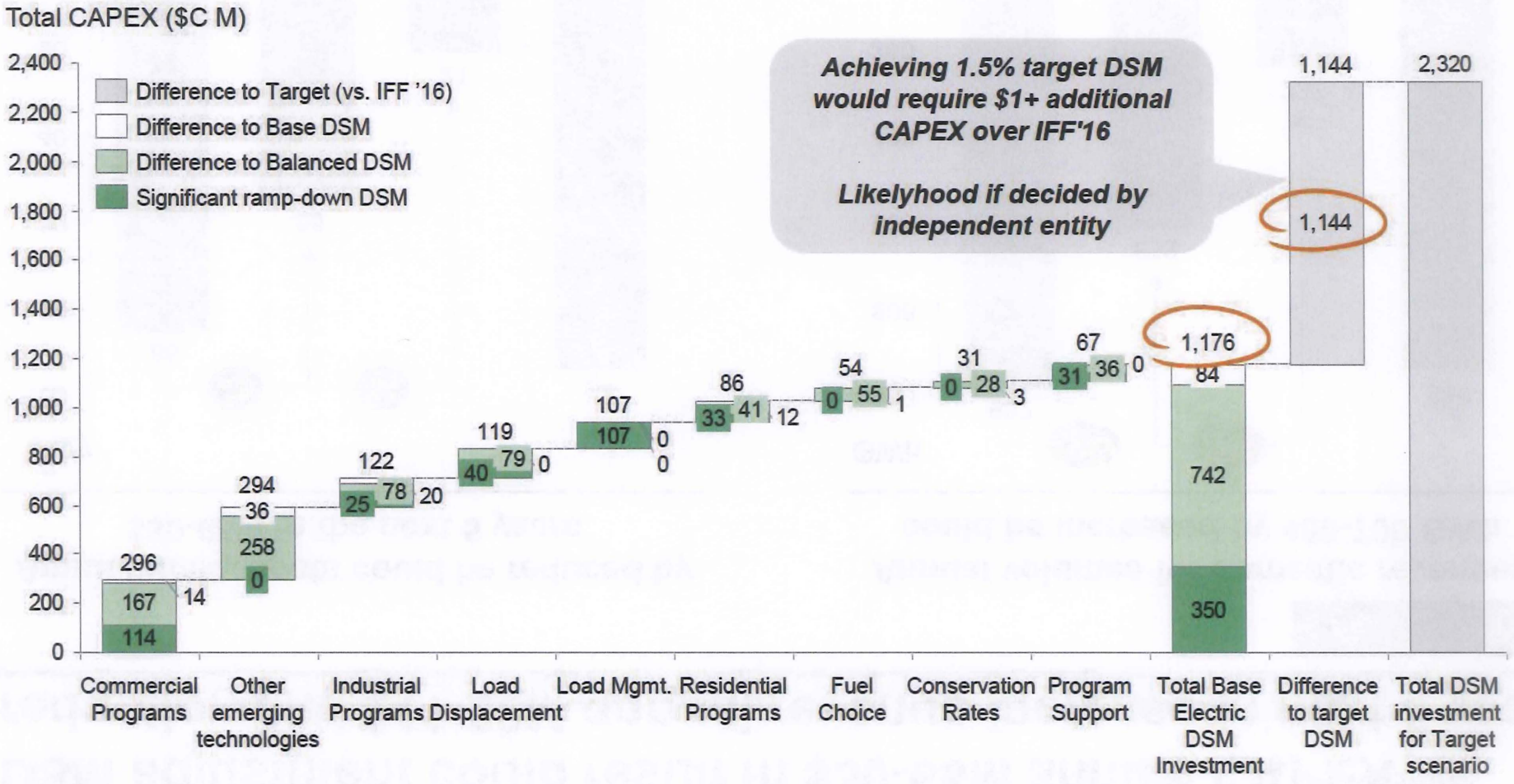
	Status quo DSM: Power Smart Plan	Balanced DSM	Significant ramp-down DSM	PUB imposed 1.5% target
Description	• Base Power Smart Plan • All possible initiatives	• Unchanged new resource date • Shifting CAPEX • Risk of stake-holder concerns	• Radical reduction of DSM expense • Date for new gen advanced to early 2030s • Risk of stake-holder reaction	• Meet 1.5% electric load PUB target • Likely if moved outside MH • $1B+ costs to achieve
Capacity (MW) (2020/2030)	406 / 814	214 / 785	56 / 132	316 / 1,018
	1.7% / 1.2%	1.1% / 1.1%	0.9% / 0.7%	1.6% / 1.5%
Cumulative energy (GWh) (until 2020/2030)	4,911 / 32,640	3,060 / 26,486	1,183 / 4,886	4,694 / 39,626
Cumulative total utility costs (5 year / 15 year)	425 / 1,175	273 / 1,091	103 / 350	468 / 2,266

xx% DSM as avg. % of load

Alternative DSM scenarios range between $0.35-2.3B CAPEX

DSM initiative clusters impacted to various extent

Total Electric DSM Program Costs 2016-2030

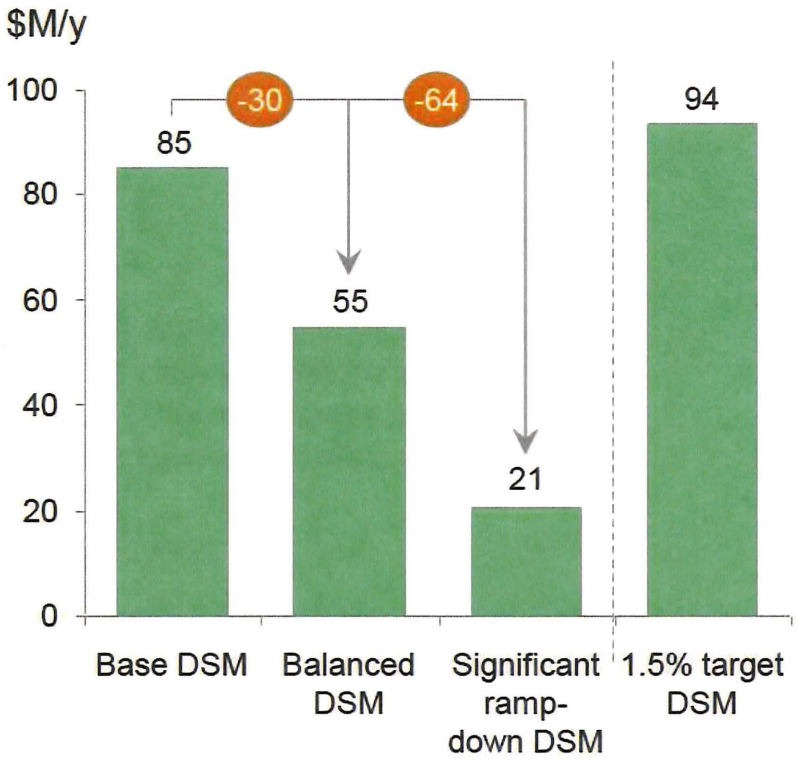


Source: Manitoba Hydro Power Smart Plan

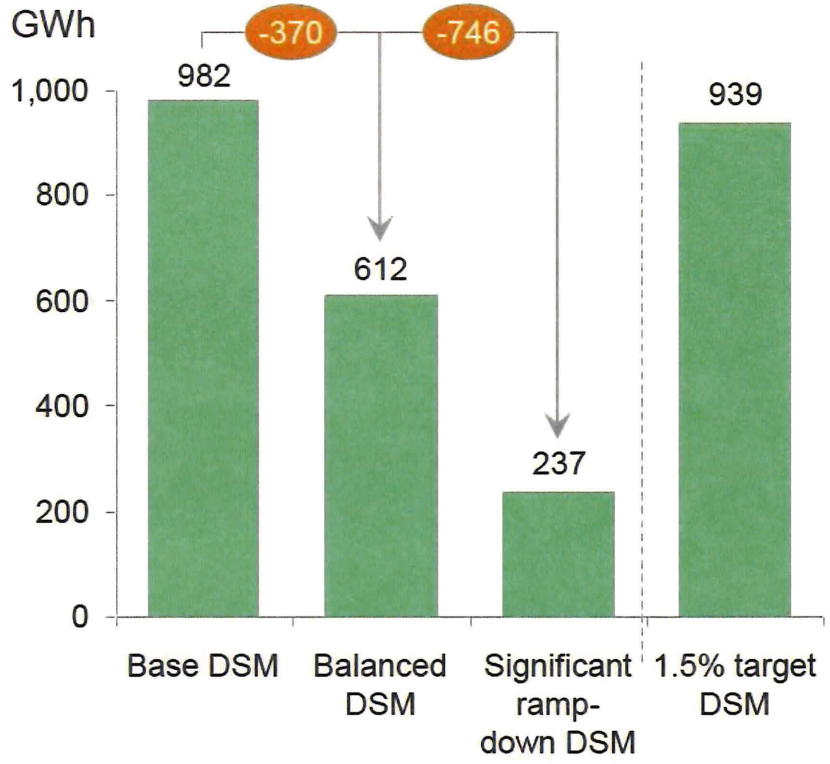
DSM adjustment could result in $30-65M annual CAPEX reduction and $11-22M annual revenue increase in next 5 years

Initial findings

Annual utility costs could be reduced by $30-65M in the next 5 years



Annual volumes for domestic revenues could be increased by 400-700 GWh



$11-22M incremental annual revenue potential assuming 3 c/kWh premium above opportunity export on a 5-year horizon

Source: Manitoba Hydro, BCG analysis

DSM

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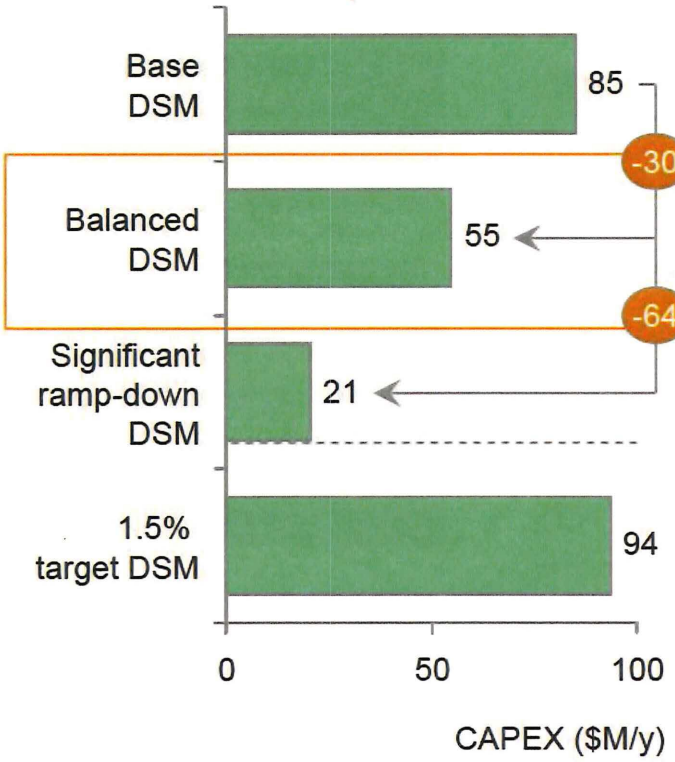
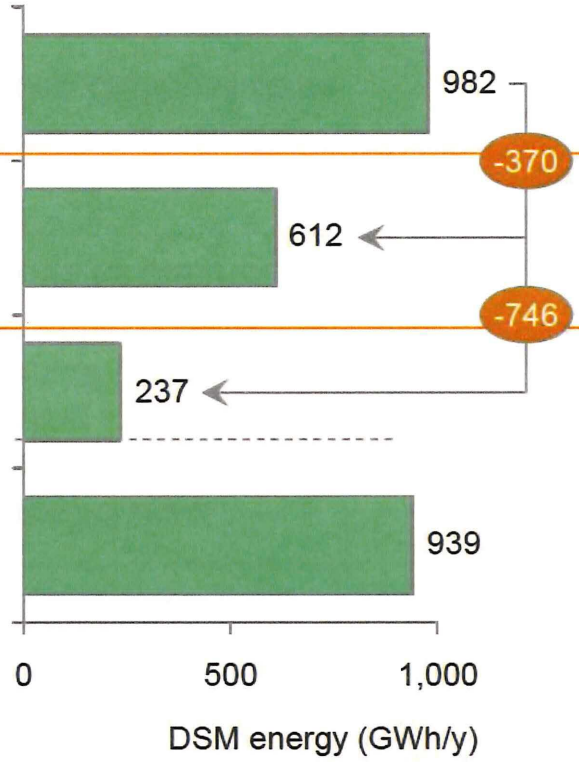
DSM adjustment could result in $30-65M annual CAPEX reduction and $11-22M annual revenue increase in next 5 years

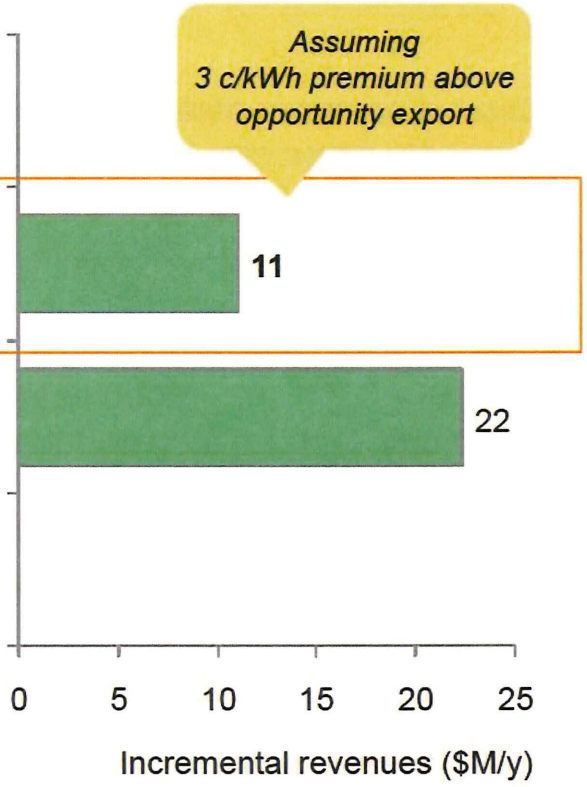
Utility costs reduced by $30-65M/year in the next 5 years



Energy consumed domestically increased by 400-700 GWh/y



Overall revenues could increase by $11-22M/year



Balanced DSM achieves CAPEX and revenue benefits without jeopardizing new generation need date

Source: Manitoba Hydro, BCG analysis