

Order No. 45/17

**MANITOBA HYDRO: INTERIM EX PARTE APPROVAL
CURTAILABLE RATE PROGRAM
REFERENCE DISCOUNT, EFFECTIVE APRIL 1, 2017**

April 27, 2017

**BEFORE: Robert Gabor, Q.C., Chair
Marilyn Kapitany, B.Sc., (Hon), M.Sc., Member**

1.0 BACKGROUND

On April 26, 2017, Manitoba Hydro (MH) applied to the Public Utilities Board (Board) for interim *ex parte* approval of MH's Curtailable Rate Program (CRP) Reference Discount, effective April 1, 2017. MH's application was made pursuant to the CRP Terms and Conditions of Service, which were approved by Board Order 73/15.

Under the Terms and Conditions of Service, MH is required to file the CRP Reference Discount adjusted for inflation on an annual basis. MH proposed the CRP Reference Discount rate be increased from \$3.43/kW (reflected in the current rate) to \$3.48/kW of curtailable load effective April 1, 2017. The inflation adjustment factor is +1.6%, as reflected in the Consumer Price Index published by Statistics Canada (April 21, 2017) as shown in Schedule "B".

2.0 BOARD FINDINGS

The Board has reviewed MH's application and will approve, on an interim *ex parte* basis, an amended CRP Reference Discount Rate effective April 1, 2017.

Board decisions may be appealed in accordance with the provisions of Section 58 of *The Public Utilities Board Act*, or reviewed in accordance with Section 36 of the Board's Rules of Practice and Procedure. The Board's Rules may be viewed on the Board's website at www.pubmanitoba.ca.

3.0 IT IS THEREFORE ORDERED THAT:

1. Manitoba Hydro's application for approval of the Curtailable Rate Program Reference Discount of \$3.48/kW month of Curtailable Load (as set out in attached Schedule A) BE AND IS HEREBY APPROVED on an interim *ex parte* basis effective April 1, 2017.
2. This Interim Order shall be in full force and effect until confirmed or otherwise by a further Order of the Board, to follow a public hearing.

THE PUBLIC UTILITIES BOARD

"Robert Gabor, Q.C."

Chair

"Kurt Simonsen"

Acting Secretary

Certified a true copy of Order No. 45/17 issued
by The Public Utilities Board



Acting Secretary

Schedule A
CURTAILABLE RATE PROGRAM
REFERENCE DISCOUNT
APRIL 2017

FORMULA:

The Monthly Reference Discount shall equal the Generation Deferral benefits, expressed in Canadian Dollars for 2011/12, and adjusted on a cumulative basis by the annual inflation factor as of April 1 of each fiscal year.

The calculation of the value of the monthly reference discount as of April 1, 2017 is below.

The value of the annual inflation adjustment published by Statistics Canada is as per Schedule B.

	April 1, 2012	April 1, 2013	April 1, 2014	April 1, 2015	April 1, 2016	April 1, 2017
Base Reference Discount	\$ 3.17	\$3.21	\$ 3.28	\$ 3.36	\$3.40	\$3.43
Inflation % *	1.4%	2.3%	2.3%	1.2%	0.9%	1.6%
Adjustment \$	\$ 0.04	\$0.07	\$0.08	\$0.04	\$0.03	\$0.05
Adjusted Reference Discount	\$3.21	\$ 3.28	\$ 3.36	\$3.40	\$ 3.43	\$3.48

*The annual inflation factor for Manitoba is set out in the following table generated by Statistics Canada.

Schedule B

Consumer Price Index, by province (monthly)
(Manitoba)

	March 2016	February 2017	March 2017	February 2017 to March 2017	March 2016 to March 2017
	2002=100			% change	
Man.					
All-items	127.8	129.5	129.9	0.3	1.6
Food	143.1	138.8	140.2	1.0	-2.0
Shelter	139.3	143.2	143.4	0.1	2.9
Household operations, furnishings and equipment	119.8	120.5	120.1	-0.3	0.3
Clothing and footwear	95.5	91.4	93.6	2.4	-2.0
Transportation	124.1	129.6	128.9	-0.5	3.9
Health and personal care	114.0	115.7	116.8	1.0	2.5
Recreation, education and reading	110.1	112.3	112.9	0.5	2.5
Alcoholic beverages & tobacco products	175.9	178.6	178.3	-0.2	1.4
Special aggregates					
All items excluding food	124.9	127.6	127.8	0.2	2.3
All items excluding energy	127.7	128.8	129.2	0.3	1.2
Energy	126.3	136.2	135.8	-0.3	7.5
Source: Statistics Canada, CANSIM, table 326-0020 and Catalogue nos. 62-001-X and 62-010-X. Last modified: 2017-04-21					