

Order No. 51/19

**MANITOBA HYDRO: INTERIM EX PARTE APPROVAL
CURTAILABLE RATE PROGRAM
REFERENCE DISCOUNT, EFFECTIVE APRIL 1, 2019**

April 24, 2019

BEFORE: Robert Gabor, Q.C., Chair
Marilyn Kapitany, B.Sc., (Hon), M.Sc., Vice Chair
Hugh Grant, Ph.D., Member
Shawn McCutcheon, Member
Larry Ring, Q.C., Member

1.0 BACKGROUND

On April 23, 2019, 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, 2019. 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 \$3.56/kW (reflected in the current rate) to \$3.64/kW of curtailable load effective April 1, 2019. The inflation adjustment factor is +2.3%, as reflected in the Consumer Price Index published by Statistics Canada (April 20, 2018) 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, 2019.

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 \$3.64/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, 2019.
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. 51/19 issued by
The Public Utilities Board



Acting Secretary

Schedule A
CURTAILABLE RATE PROGRAM
REFERENCE DISCOUNT
APRIL 2019

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, 2019 is shown 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	April 1, 2018	April 1, 2019
Base Reference Discount	\$3.17	\$3.21	\$3.28	\$3.36	\$3.40	\$3.43	\$3.28	\$3.56
Inflation % *	1.4%	2.3%	2.3%	1.2%	0.9%	1.6%	2.4%	2.3%
Adjustment \$	\$0.04	\$0.07	\$0.08	\$0.04	\$0.03	\$0.05	\$0.08	\$0.08
Adjusted Reference Discount	\$3.21	\$3.08	\$3.36	\$3.40	\$3.43	\$3.48	\$3.56	\$3.64

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

Table 1: Consumer Price Indices for March 2019**By Component: Manitoba And Canada**

	Manitoba					Canada				
	Mar. 2018	Feb. 2019	Mar. 2019	Feb. 19 to Mar. 19	Mar. 18 to Mar. 19	Mar. 2018	Feb. 2019	Mar. 2019	Feb. 19 to Mar. 19	Mar. 18 to Mar. 19
	(2002 = 100)		% change			(2002 = 100)		% change		
Main components										
All-items	133.0	135.2	136.1	0.7	2.3	132.9	134.5	135.4	0.7	1.9
Food	142.6	147.7	147.5	-0.1	3.4	144.2	149.3	149.4	0.1	3.6
Shelter	147.1	151.3	151.7	0.3	3.1	140.0	143.4	143.8	0.3	2.7
Household operations, furnishings and equipment	119.5	122.7	122.1	-0.5	2.2	122.9	123.6	123.5	-0.1	0.5
Clothing and footwear	94.4	93.3	96.7	3.6	2.4	95.0	94.8	96.4	1.7	1.5
Transportation	135.4	135.7	138.5	2.1	2.3	138.0	137.9	140.6	2.0	1.9
Health and personal care	119.7	119.4	120.0	0.5	0.3	126.3	126.4	126.6	0.2	0.2
Recreation, education and reading	114.8	115.2	115.5	0.3	0.6	116.4	115.2	116.6	1.2	0.2
Alcoholic beverages and tobacco products	185.0	189.0	188.1	-0.5	1.7	166.0	170.9	170.9	0.0	3.0
Special aggregates										
All-items excluding food	131.0	132.8	133.8	0.8	2.1	130.6	131.7	132.7	0.8	1.6
All-items excluding food and energy	129.3	131.6	132.0	0.3	2.1	127.6	129.6	130.0	0.3	1.9
Energy	144.9	141.2	149.4	5.8	3.1	161.0	150.1	159.1	6.0	-1.2
Goods	120.2	121.5	122.7	1.0	2.1	120.9	121.4	122.7	1.1	1.5
Services	147.3	150.5	150.9	0.3	2.4	144.9	147.6	148.1	0.3	2.2

Source: Prepared by the Manitoba Bureau of Statistics, adapted from Statistics Canada, Table 18-10-0004-01 (formerly CANSIM 326-0020)

Release date: April 17, 2019