

ANNUAL PUBLIC MEETING

CUSTOMER Q&A

In this question and answer document, we respond to some of the frequently asked questions received from our customers that were not addressed directly in the video discussions with our executive.

1 What are you doing to help low income households as electricity rates increase?

We understand paying monthly energy bills can be difficult for some of our customers and there is help available.

Our Equal Payment Plan (EPP) allows customers to pay their energy bill in equal monthly instalments. This lets you spread your payments over the year and gives you more room to budget your monthly household expenses. If your payments are up-to-date, you can apply at any time.

If you're experiencing financial hardship as a result of the pandemic, please know we are here to work with you. Contact our Credit Department to let us know about your situation. Manitoba Hydro has several programs that can support customers in these difficult times.

Our Customer Arrears Assistance Program helps customers pay back arrears over time while making equal monthly payments regardless of how much energy is consumed in any given month.

Contact us in Winnipeg at **204-480-5901**, toll free at **1-888-MBHYDRO**, or email **credit@hydro.mb.ca**. We can work with you to establish a reasonable payment plan appropriate to your situation.

We can also refer customers to the Neighbours Helping Neighbours program administered by the Salvation Army. Neighbours Helping Neighbours can provide one-time emergency funding to assist with energy bills. The program relies on private and corporate donations to fund its services. Since 2004, more than 9,050 families have been helped. For more information about the program, visit hydro.mb.ca/community/neighbours_helping_neighbours.

2 Why is the excess energy buyback price so low for customers selling electricity back to Manitoba Hydro?

The excess energy price reflects the current market value of opportunity energy to Manitoba Hydro. The price is updated annually and can fluctuate depending on market conditions.

Essentially, the amount we pay on an average basis for energy from our customers who produce excess power is equal to what we can sell that energy for in the electricity markets in Canada and the United States.

This ensures we continue to act in the best interest of all our customers by buying energy at the lowest possible cost and not subsidizing the purchase of energy from local producers.

You can visit the **Generating your own Electricity** page on our website under Accounts & Services for further details on net billing and the current excess energy price.

3 Will previous solar adopters who have their excess energy buyback rates locked till 2038 be able to add to their solar arrays and keep their locked in rate?

Customers who have signed fixed priced contracts are not eligible to increase the size of their systems at the existing fixed price rate. Customers may elect to increase the size of their existing system but will receive the current excess energy price for all excess energy sold back to Manitoba Hydro.

4 Will communities be able to come together and build solar farms and or micro grids?

All Manitoba Hydro customers are eligible to apply for interconnection service and we welcome anyone interested in installing solar systems or other forms of distributed generation to contact us to discuss their plans. The process to apply will depend on the size and type of installation. More information is available at our website on the **Generating your own Electricity** page under Accounts & Services.

5 Why did the budget for the Keeyask Project increase and what was the money spent on?

Simply put, the work to build the Keeyask Generating Station took longer than originally estimated.

The work on earthworks and concrete placement for structures, like the station's powerhouse and spillway, progressed much more slowly than expected in the first two years of the project. The longer timeline on these general civil works triggered increased costs for the project. The longer duration also drove increases to many other required service contracts, such as camp operations, and resulted in additional escalation costs, due to material costs increasing year over year, and corresponding increases in interest and carrying charges that continue to be charged to the project while it's under construction.

There are considerable uncertainties in estimating the cost and schedule of any major project – especially when estimating costs prior to beginning any of the work. Once contracts are awarded and work gets underway, a much better understanding of actual productivity levels and the challenges of working in difficult conditions helps to remove that uncertainty. That is what happened when the Keeyask control budget was reset in 2017 to \$8.7 billion, up from the 2014 estimate of \$6.5 billion based on a completion date of November 2019. The Keeyask Project is currently on schedule to place the last generating unit into service this spring and tracking within that \$8.7 billion control budget.

6 Other than enhanced customer services, such as the new Manitoba Hydro app, what progress has been made on the digital transformation of business processes?

Digital transformation is a key part of our long-term strategic plan and foundational to achieving Manitoba Hydro's strategic vision of becoming the energy utility of the future. We are just beginning that journey and our digital transformation will take time as Manitoba Hydro invests in modern technology platforms and leverages innovation to meet the changing needs and expectations of our customers. Right now we are largely in the planning phase – identifying customer needs and key business capabilities and developing roadmaps to guide us.

7 Natural gas is the cleanest fossil fuel on the planet so why is there a carbon tax set up on it?

The federal government created a charge on all fossil fuels that produce carbon dioxide emissions or other greenhouse gases with an equivalent global warming potential. Since burning natural gas produces greenhouse gas, the carbon charge applies to the natural gas sold to our customers.

For more information on the carbon charge, visit the Government of Canada's website at: [How carbon pricing works - Canada.ca](#).

8 With the number of vacant houses in Gillam what are Manitoba Hydro's long-term plans in this town?

Manitoba Hydro remains committed to Gillam and to working in collaboration with stakeholders in the area to make Gillam a great place to live and work. One example of this commitment is the significant recent investments we've made in community infrastructure, recreation facilities and the continued upkeep of our residential assets within the community.

Gillam serves as the northernmost hub for the nearly 300 skilled employees and their families who operate and maintain critical Manitoba Hydro generation and transmission infrastructure. Since Manitoba Hydro's voluntary departure program and subsequent hiring restrictions associated with COVID-19, we've had abnormally high vacancy rates in our core and trainee positions in the Gillam area which translates into a higher than normal number of vacant homes. We are expecting this trend to reverse as we renew our recruitment efforts for core and trainee positions.

9 I witnessed a sub-contractor to Manitoba Hydro drill multiple holes in all the hydro poles in my back lane. What is the purpose of this endeavour?

This work is part of our Integrated Wood Pole Maintenance Program. We've got more than one million wood poles in Manitoba with about 250,000 installed between 1945 and 1960. We need to check them on a rotating basis for rot or other damage, like from woodpeckers, lightning, or if they were hit by a vehicle and no one reported it.

The drilling you saw at the base of the poles was to check for premature rot and ant infestation. Poles are then injected with a treatment to prevent ants and rot. This inspection and treatment prolong the life of wood poles and keeps them safe for our line workers to climb.

Available in accessible formats upon request.