

# 2024 Annual Public Meeting: What We Heard

This document shares our responses to questions on topics most frequently raised by our customers during the 2024 annual public meeting.

## What impact will the current drought have on price increases and Manitoba Hydro's requirement to import electricity?

Right now, Manitoba Hydro has no plans to go to the Public Utilities Board to seek a rate increase because of this drought. We've got a new board and we need to work with that board to understand what the appropriate measures are for our financial health and to set those targets. It is premature for us to go to the Public Utilities Board at this point in time.

These periods of low water flows do drive home how dependent Manitoba Hydro's financial outlook is on the weather and how important it is that we strive to maximize the value of our product to ensure we meet our customers' energy needs. It's also important to point out that despite drought, service to our customers is never in danger because of how we designed and operate our system. A big part of this reliability comes from the strong transmission interconnections we have with neighboring wholesale markets which allow us to import energy as needed.

## When does Manitoba Hydro anticipate being ready to align itself with the government's clean energy targets of a net-zero grid by 2035, and to have a roadmap to a carbon-neutral economy by 2050?

We expect the Province of Manitoba will introduce a new energy policy later this summer or early in the fall. Once we understand what that energy policy is telling us, we'll work to update our Integrated Resource Plan and re-engage with the broader energy planning community. We'll work with that community to gain an understanding of the implications of energy policy and the kind of questions we may need to answer. We'll do additional energy modeling and then re-engage with Manitobans. So realistically, it's probably 12 to 18 months before we're at a point where we'll know exactly how we're going to meet the 2035 electricity system goals and 2050 provincial goals.

## Does solar have a role to play in future electricity generation and does Manitoba Hydro foresee a future with community solar so that other people can buy into solar if they're not in an area that can have it?

Solar is just one of many options that we're studying as part of our integrated resource planning, looking at the attributes to understand how we can best capture benefits while supporting Manitobans in their investments and our collective journey to a clean energy future. There are examples of different communities and entities pursuing opportunities right now and we want to continue to support them where it makes sense to do so as we move forward.

## Is Manitoba Hydro looking at wind and when can we expect to see this, if we are?

We studied all technology options in our Integrated Resource Plan. Wind is one of the cheapest energy options, and it is a leading energy resource in terms of what we could build in the future. While we haven't made any commitments, we are actively looking at how we can make those decisions as we move forward in meeting the energy needs of Manitobans.

It is important to note that one of the characteristics of wind is it's intermittent. It only makes electricity when the wind is blowing. That's one of the advantages of our hydroelectric system. It's something that we call dispatchable, which means we can turn it on and off when it's needed. If wind is to play a greater role in the energy mix in the future, we will need to pair that wind with some kind of dispatchable resource to "backstop" that wind resource. As we saw in Alberta this winter, they had a cold snap where the wind just wasn't blowing, and as a result their wind generation wasn't much help to them when they needed additional electrical generation to meet their customers' demands.

While wind can definitely be a bigger part of our future, it's not enough on its own to keep the system reliable.

## When does Manitoba Hydro anticipate being ready to develop options for expanding the electric vehicle charging network in Manitoba, especially in rural areas?

With respect to the build out of electric vehicle charging stations across the province, we want to work collaboratively with the provincial government to understand what their vision is with respect to the electrification of transportation. We will support the government's energy policy and mandate in terms of incentivizing further electric vehicle adoption.

# 2024 Annual Public Meeting: What We Heard

## Does Manitoba Hydro provide incentives for installing air source heat pumps or geothermal systems?

We currently provide financing programs that can help support customers who are interested in exploring opportunities to improve energy efficiency within their home; the details can be found on our website at [https://www.hydro.mb.ca/your\\_home/loans\\_financing/](https://www.hydro.mb.ca/your_home/loans_financing/). We expect to be working with the provincial government, as well as Efficiency Manitoba, going forward in terms of any additional programs that they may seek to offer in the future.

## Is Manitoba Hydro looking into developing nuclear power and phasing out natural gas?

During development of our Integrated Resource Plan, we studied different scenarios for load growth, and in our highest load growth scenario, the demand for energy was two to three times what we have available now. This is similar to what many utilities across North America are projecting. In order to meet that demand, we're looking at all resource options, including nuclear – small modular reactors would be an option – as well as natural gas combustion turbines. However, no development decisions have been made. At this point, we're keeping our options open as we look to complete future Integrated Resource Plans.

## What is Manitoba Hydro doing to advance Indigenous reconciliation?

We have always acknowledged the impact some of our legacy facilities have had on Indigenous communities in Manitoba. In 2023, Manitoba Hydro released our first ever Indigenous Relations commitment statement which affirms our commitment to advancing reconciliation with Indigenous communities. We are always looking for new and innovative ways to advance reconciliation. We have quite a good history of training, business, and employment opportunities, and we're looking at ways we can expand that. We're also looking at ways we can expand the benefits to Indigenous communities that we work with and have impacted over the years.

Our Indigenous Relations commitment statement is available on our website at: <https://www.hydro.mb.ca/community/indigenous-relations/>.

## What role do you see Indigenous communities playing in future generation projects?

In recent years, we've built generation projects such as Wuskwatim and Keeyask in partnership with Indigenous communities. Looking ahead, we see a wide variety of options available through which Indigenous communities can, and hopefully will, play a role in our future generation projects. Those options could include equity arrangements like we've done in past generation, or other types of training, business and employment opportunities. As we move forward in the spirit of reconciliation, the potential opportunities are significant.

## Are there plans to increase transparency on supply and demand through tools like electricity maps?

Manitoba Hydro used to make electricity and natural gas supply capacity maps available on our website to help customers considering business development determine the best place in the province to establish or expand their operations. However, we removed those maps last year because the information shown was only updated once a year and often didn't give our customers an accurate picture of available capacity.

We invite those customers considering business development to contact one of our Business Development Consultants directly. We are happy to work with you and respond to any questions. More information is available at [https://www.hydro.mb.ca/your\\_business/setup\\_your\\_business\\_in\\_manitoba/](https://www.hydro.mb.ca/your_business/setup_your_business_in_manitoba/).

## What does Manitoba Hydro think electricity growth will be over the next five years?

Manitoba Hydro's most recent electricity load forecast, a preliminary study completed last year, projected the need for energy would increase from 23,641 gigawatt-hours in the 2022-23 fiscal year to 25,260 gigawatt-hours in the 2028-29 fiscal year. (Energy is the amount of electricity used over a period of time – one year in this case.) The peak demand for electricity was projected by the preliminary load forecast to increase from 4,375 megawatts in 2022-23 to 4,909 megawatts in 2028-29. (Peak demand is the point in time when the requirement for electricity is the highest.)

# 2024 Annual Public Meeting: What We Heard

As a point of comparison, our system capacity at the end of the 2023 fiscal year was 6,054 megawatts.

## What is the historical yearly average of the amount of electricity that Manitoba Hydro imports?

Over the last 10 years, the annual average amount of imports and purchased energy (excluding wind) was 700 gigawatt-hours (0.7 billion kilowatt-hours). Manitoba Hydro also purchases on average about 900 gigawatt-hours per year (0.9 billion kilowatt-hours) from wind farms located at St. Leon and St. Joseph, Manitoba.

The volume of imports and purchases will vary considerably year to year, primarily due to water supply conditions but also other factors such as weather impacts on Manitoba customer demand. For example, when Manitoba Hydro experienced drought in 2021-22, purchases were 4,100 gigawatt-hours (4.1 billion kilowatt-hours) excluding wind purchases. In 2022-23, when water supply was well above average, purchases were 400 gigawatt-hours (0.4 billion kilowatt-hours). New energy supply additions, such as the Keeyask Generating Station, and changing demand will also affect the volume of imports from year to year.