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March 28, 2014

Mr. H. Singh
Executive Director
Public Utilities Board
400-330 Portage Avenue
Winnipeg, Manitoba
R3C 0C4

Dear Mr. Singh:

**RE: Manitoba Hydro Application for Interim Electric Rates Effective April 1, 2014 -
Light Emitting Diode (“LED”) Rates for the Area and Roadway Lighting Class**

On March 7, 2014, Manitoba Hydro filed its Application for Interim Electric Rates Effective April 1, 2014 (the “Application”) with the Public Utilities Board of Manitoba (“PUB”). Manitoba Hydro is hereby amending its Application to also request PUB approval, on an interim basis, to implement new LED rates for the Area and Roadway Lighting class.

Manitoba Hydro does not currently have rates in place for LED roadway lighting fixtures. The proposed new rates will apply to all LED installations, including new installations and those related to the replacement of existing High Pressure Sodium (“HPS”) fixtures. The conversion of existing HPS roadway lights to LED is presently being undertaken by Manitoba Hydro over a seven year period. The LED roadway lighting fixtures will consume approximately 40 per cent less electricity compared to HPS lighting.

The table provided in Attachment 1 to this letter provides the supporting calculations for the proposed LED rates. Manitoba Hydro derived the proposed LED rates by determining the annual kilowatt hour savings expected to be achieved by converting from HPS lighting to LED and then determining the monthly cost savings using the Area and Roadway Lighting Energy charge from Manitoba Hydro’s 2013 Prospective Cost of Service Study (PCOSS13) updated to reflect actual and proposed rate increases for September 1, 2012, May 1, 2013, and April 1, 2014. The monthly cost savings were then deducted from the proposed HPS rates to be effective April 1, 2014, to determine the proposed LED rates.

Enclosed please find revised rate schedules (pages 18 and 19) for rates effective April 1, 2014, which include proposed LED rates for the Area and Roadway Lighting class. For hard copies of the Application, please replace pages 18 and 19 of Appendix 5 with the corresponding pages enclosed.

Should you have any questions with respect to the foregoing, please do not hesitate to contact the writer at 204-360-3257.

Yours truly,

MANITOBA HYDRO LAW DIVISION

Per:

A handwritten signature in blue ink, appearing to read "B. Czarnecki", with a stylized flourish at the end.

Brent A. Czarnecki

Barrister & Solicitor

BAC/

encl.

Calculation of Proposed LED Rates for the Area and Roadway Lighting Class

March 28, 2014

NEW RATE NAME		HPS Category	HPS Wattage	LED Wattage	Wattage Savings	kW Savings	Annual Hours	Annual kWh Savings	Energy Rate	Annual Energy Savings	Per Month Savings	Proposed Monthly HPS Rate	Proposed Monthly LED Rate
10 LED (20w CF Equivalent)	Exclusive	20 W CF	20	12.5	7.5	0.008	4252	31.9	\$ 0.05348	\$1.71	\$0.14	\$2.15	\$2.01
60 LED (70w HPS Equivalent)	Shared	70	97	58.2	38.8	0.039	4252	165.0	\$ 0.05348	\$8.82	\$0.74	\$7.69	\$6.95
60 LED (70w HPS Equivalent)	Exclusive	70	97	58.2	38.8	0.039	4252	165.0	\$ 0.05348	\$8.82	\$0.74	\$12.63	\$11.89
80 LED (100w HPS Equivalent)	Shared	100	135	81	54.0	0.054	4252	229.6	\$ 0.05348	\$12.28	\$1.02	\$7.98	\$6.96
80 LED (100w HPS Equivalent)	Exclusive	100	135	81	54.0	0.054	4252	229.6	\$ 0.05348	\$12.28	\$1.02	\$13.32	\$12.30
110 LED (150w HPS Equivalent)	Shared	150	190	114	76.0	0.076	4252	323.2	\$ 0.05348	\$17.28	\$1.44	\$9.78	\$8.34
110 LED (150w HPS Equivalent)	Exclusive	150	190	114	76.0	0.076	4252	323.2	\$ 0.05348	\$17.28	\$1.44	\$15.03	\$13.59
180 LED (250w HPS Equivalent)	Shared	250	300	180	120.0	0.120	4252	510.2	\$ 0.05348	\$27.29	\$2.27	\$12.46	\$10.19
180 LED (250w HPS Equivalent)	Exclusive	250	300	180	120.0	0.120	4252	510.2	\$ 0.05348	\$27.29	\$2.27	\$17.33	\$15.06
280 LED (400w HPS Equivalent)	Shared	400	470	282	188.0	0.188	4252	799.4	\$ 0.05348	\$42.75	\$3.56	\$14.30	\$10.74
280 LED (400w HPS Equivalent)	Exclusive	400	470	282	188.0	0.188	4252	799.4	\$ 0.05348	\$42.75	\$3.56	\$24.04	\$20.48
280 2/100' LED (400w 2/100' Equiv)	Exclusive	400	470	282	188.0	0.188	4252	799.4	\$ 0.05348	\$42.75	\$3.56	\$37.18	\$33.62
280 4/100' LED (400w 4/100' Equiv)	Exclusive	400	470	282	188.0	0.188	4252	799.4	\$ 0.05348	\$42.75	\$3.56	\$27.31	\$23.75

¢/kWh

2.5% Sept 1, 2012 ARL Increase

2.50%

3.5% May 1, 2013 ARL Increase

3.50%

3.95% April 1, 2014 ARL Increase - Proposed

3.95%

Projected Cumulative Rate Increases

10.3%

2012/13 ARL Energy Cost (PCOSS13) at April 1, 2012 Rates

4.850

Projected PCOSS Energy Rate

5.348