

Manitoba Hydro Corporate Update

Presentation to S & P
October 27, 2015

Agenda

- Corporate Profile
- Financial Results
- Capital Overview
- Power Sale Contracts
- Liquidity & Projected Financing
- Financial Targets
- Rates

Corporate Profile

- ❑ One of the largest integrated electricity and natural gas utilities in Canada.
- ❑ 562,000 electricity customers and 275,000 natural gas customers.
- ❑ \$18 billion total assets.
- ❑ \$2 billion annual revenues.
- ❑ 5,701 MW generating capability.
- ❑ Among the lowest electricity rates in North America.
- ❑ One of Canada's "Top 100" Employers.

Financial Results

Financial Results

For the Fiscal Years Ended March 31st (\$ are in millions)

	Actual 2014	Actual 2015	Forecast 2016	Forecast 2017
Revenues (net of cost of gas)	\$2,060	\$2,046	\$2,121	\$2,203
Expenses	(1,908)	(1,943)	(2,007)	(2,144)
Non-Controlling Interest	22	11	12	8
Net Income	\$174	\$114	\$126	\$67
Total Assets	\$15,639	\$17,594	\$19,100	\$22,030
Retained Earnings	\$2,716	\$2,830	\$2,901	\$2,968
Financial Ratios:				
Debt/ Equity	76:24	79:21	81:19	83:17
Interest Coverage	1.28	1.17	1.17	1.07

Financial Results - IFRS

For the 3 Months Ended June 30th (\$ are in millions)

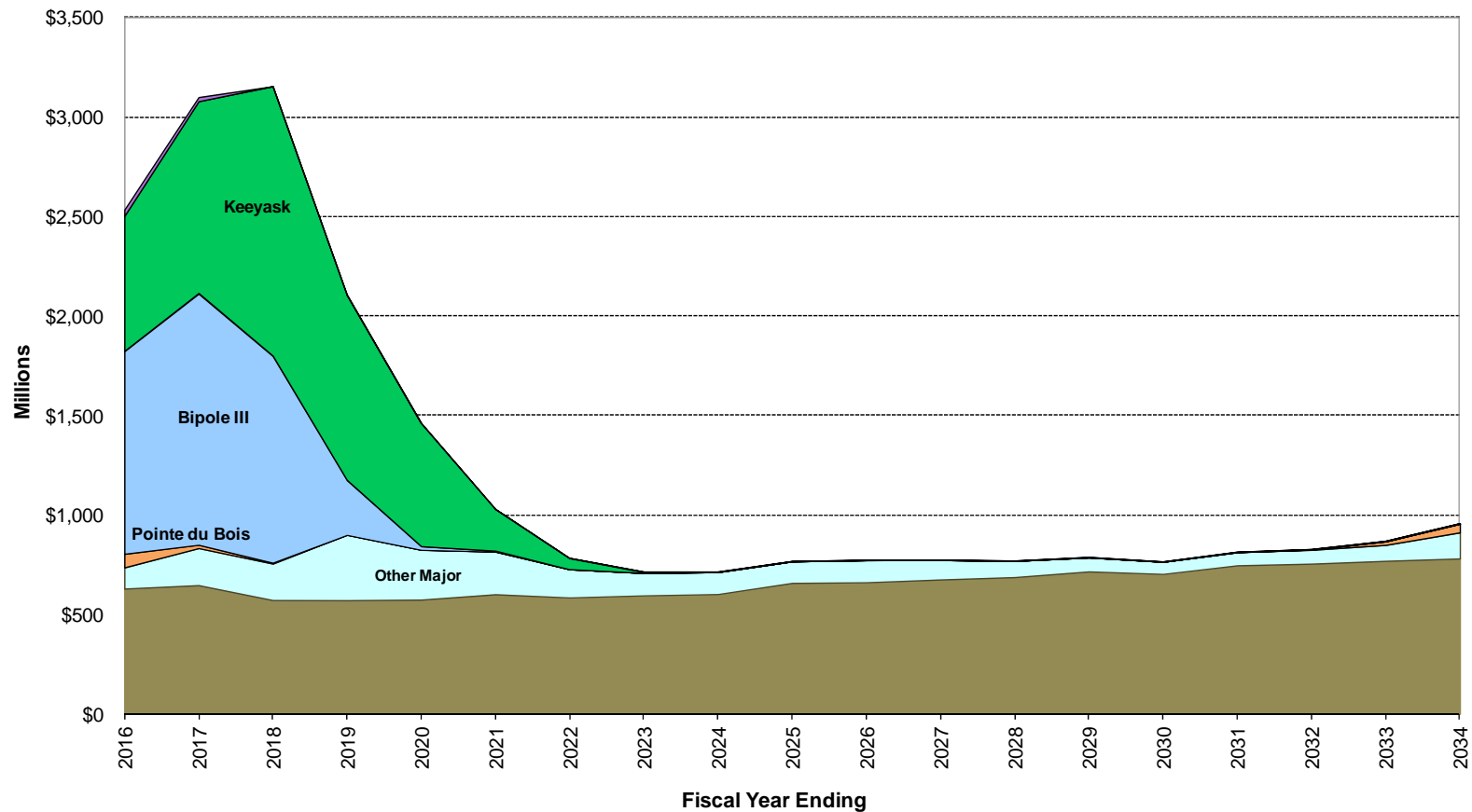
	3 Months June 2014	3 Months June 2015
Revenues	\$502	\$502
Expenses	(505)	(534)
Regulatory Deferral Movement	7	0
Non-Controlling Interest	6	3
Net Income	\$10	(\$29)
Total Assets	\$15,779	\$17,929
Retained Earnings	\$2,653	\$2,697

Capital Overview

Major Generation and Transmission Projects

- Bipole III (2018/19) \$4.65 billion
- 695 MW Keeyask G.S. (2019/20) \$6.50 billion

Capital Expenditures (CEF14)



Long-Term Export Contracts

Future Long-Term Export Contracts

- Minnesota Power
 - 250 MW System Participation Sale starting in 2020 (15 years)
 - 133 MW Energy Sale starting in 2020 (20 years)

- Northern States Power
 - 125 MW System Power Sale starting in 2021 (4 years)
 - 75 MW System Power Sale starting in 2016 (4 years)

- SaskPower
 - 25 MW System Power Sale starting in 2015 (7 years)
 - 100 MW System Power Sale starting in 2020 (20 years)

Future Long-Term Export Contracts

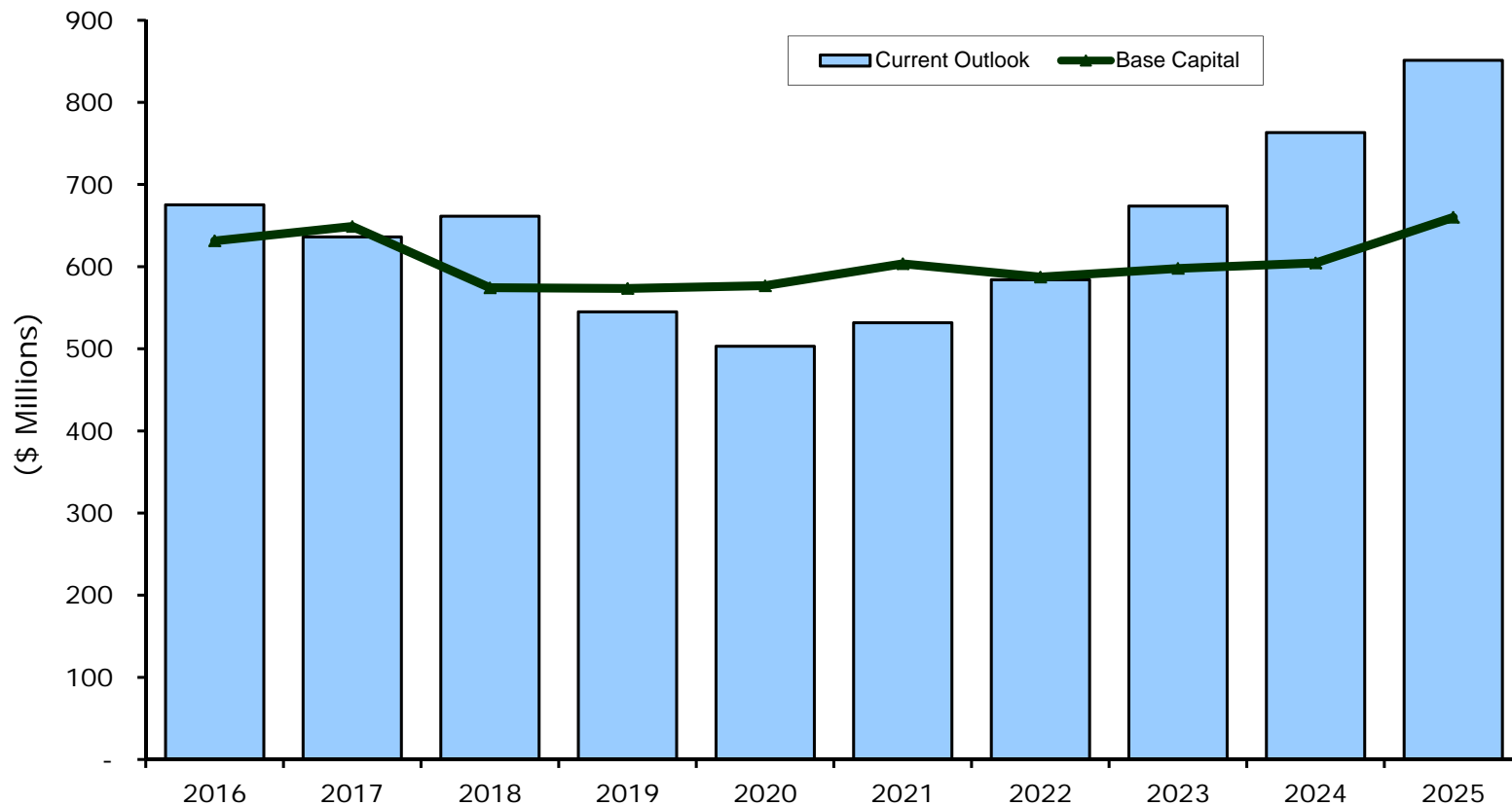
- Wisconsin Public Service
 - 108 MW System Power Sale starting in 2016 (5 years)
 - 100 MW System Power Sale starting in 2021 (4 years)
 - 100 MW Energy Sale starting in 2025 (4 years)
 - 308 MW System Power Sale dependent on Conawapa
 - 8 MW Energy Sale starting in 2023 (6 years)

- NextEra Energy
 - 100 MW Capacity Sale starting in 2016 (2 years)

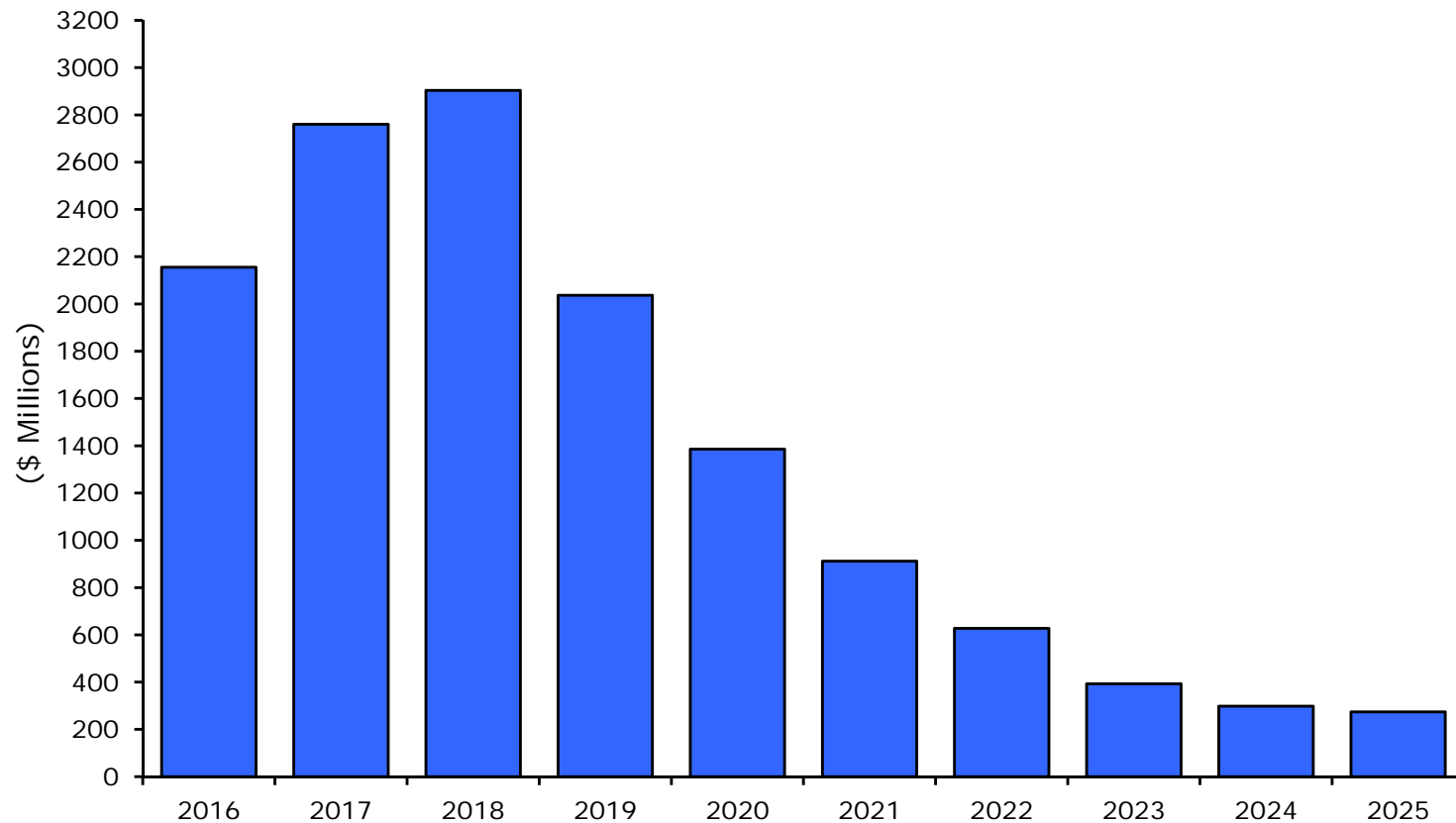
- American Electric Power Energy Partners
 - 79/50 MW Capacity Sale starting in 2016 (4 years)

Liquidity & Financing

Cash Flow from Operations (IFF14)

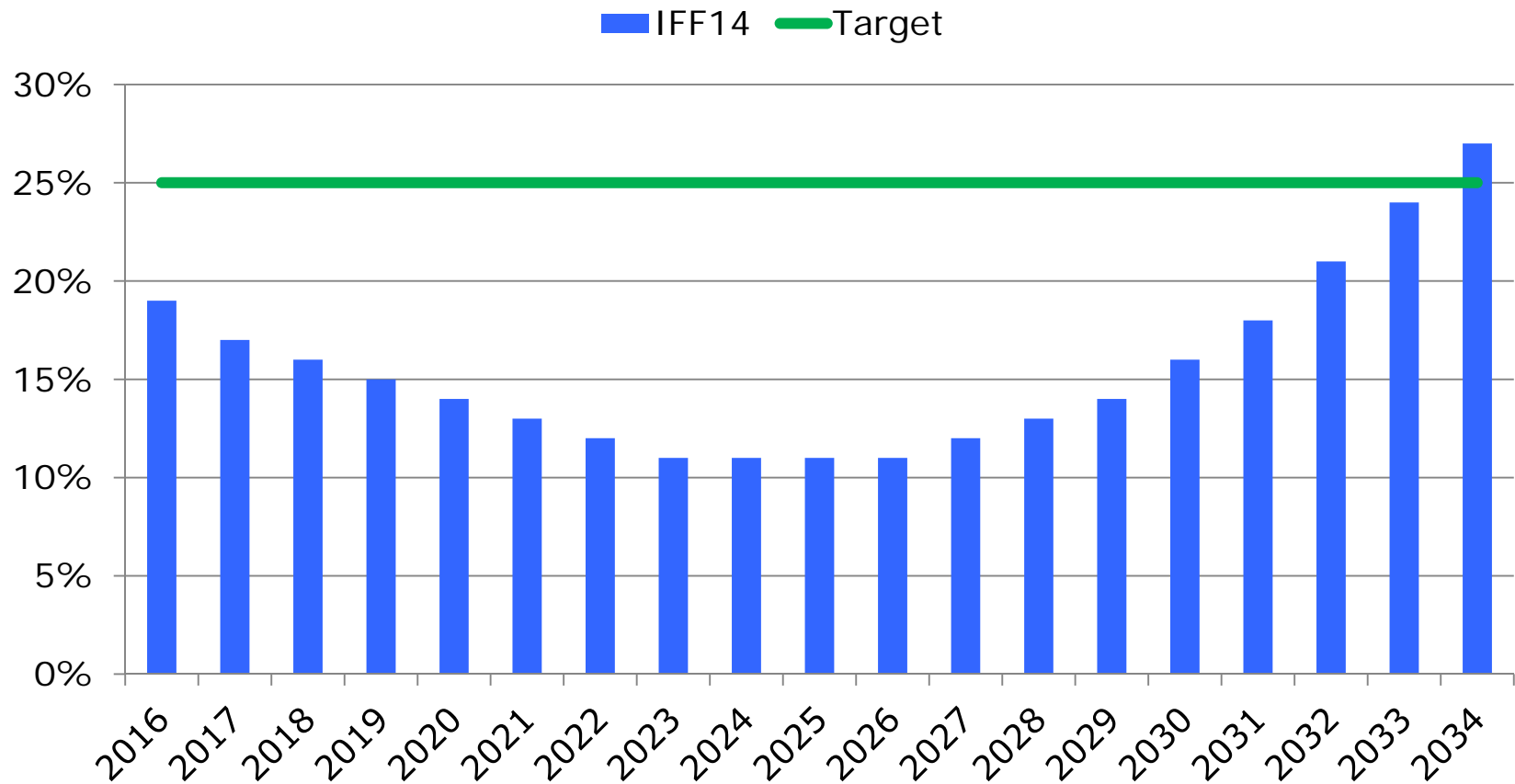


Forecasted New Debt Financing Requirements (IFF14)

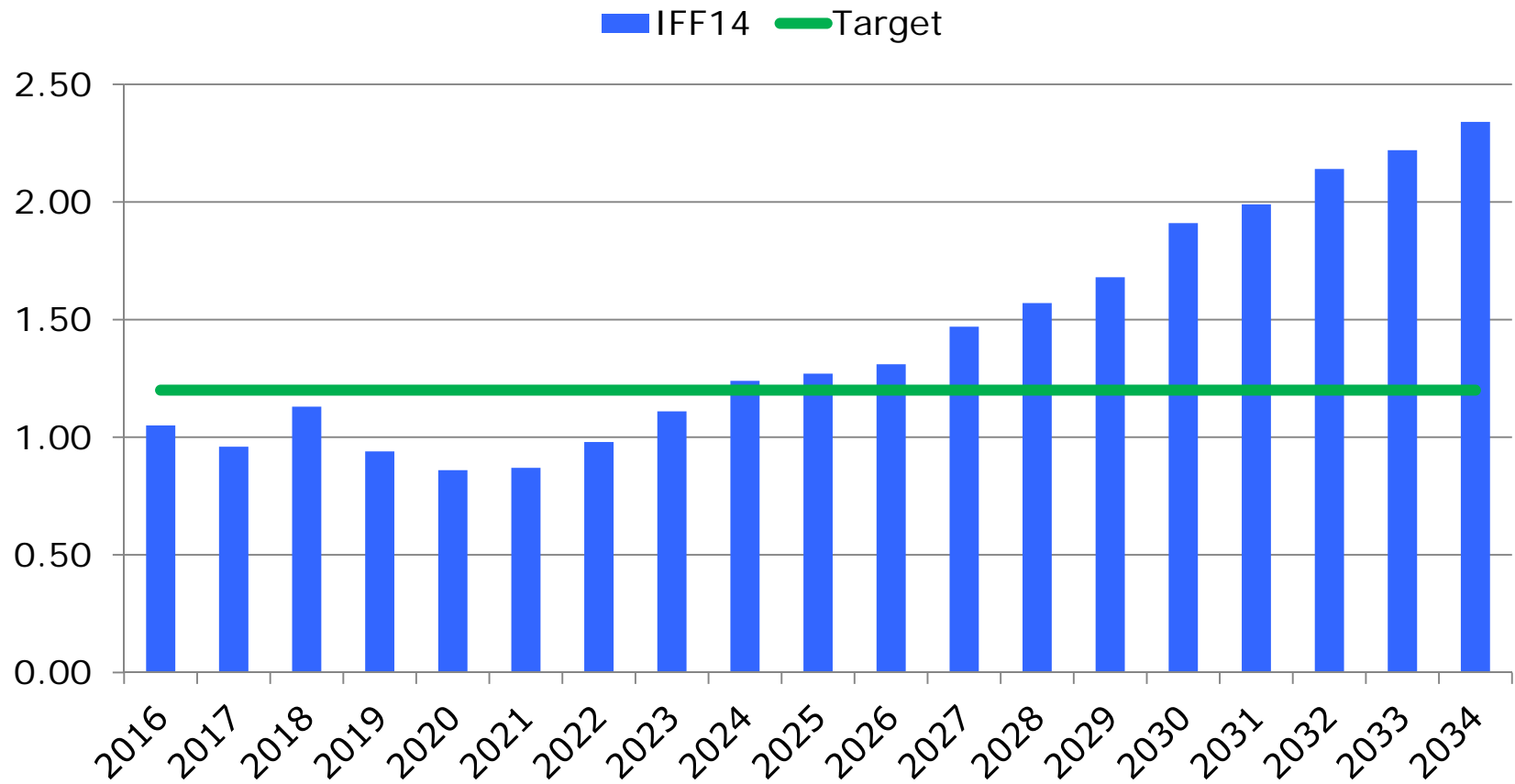


Financial Targets

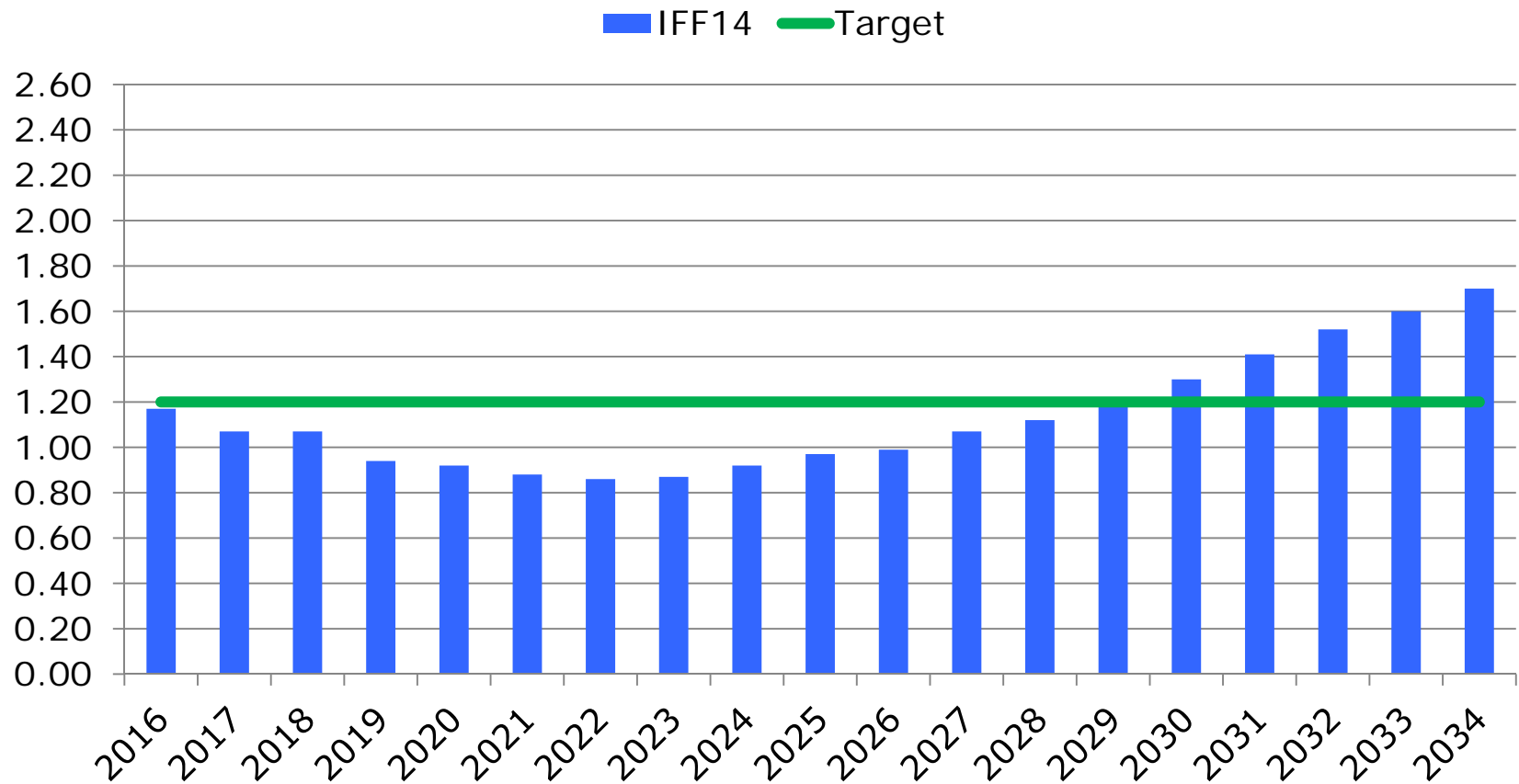
Equity Ratio



Capital Coverage Ratio



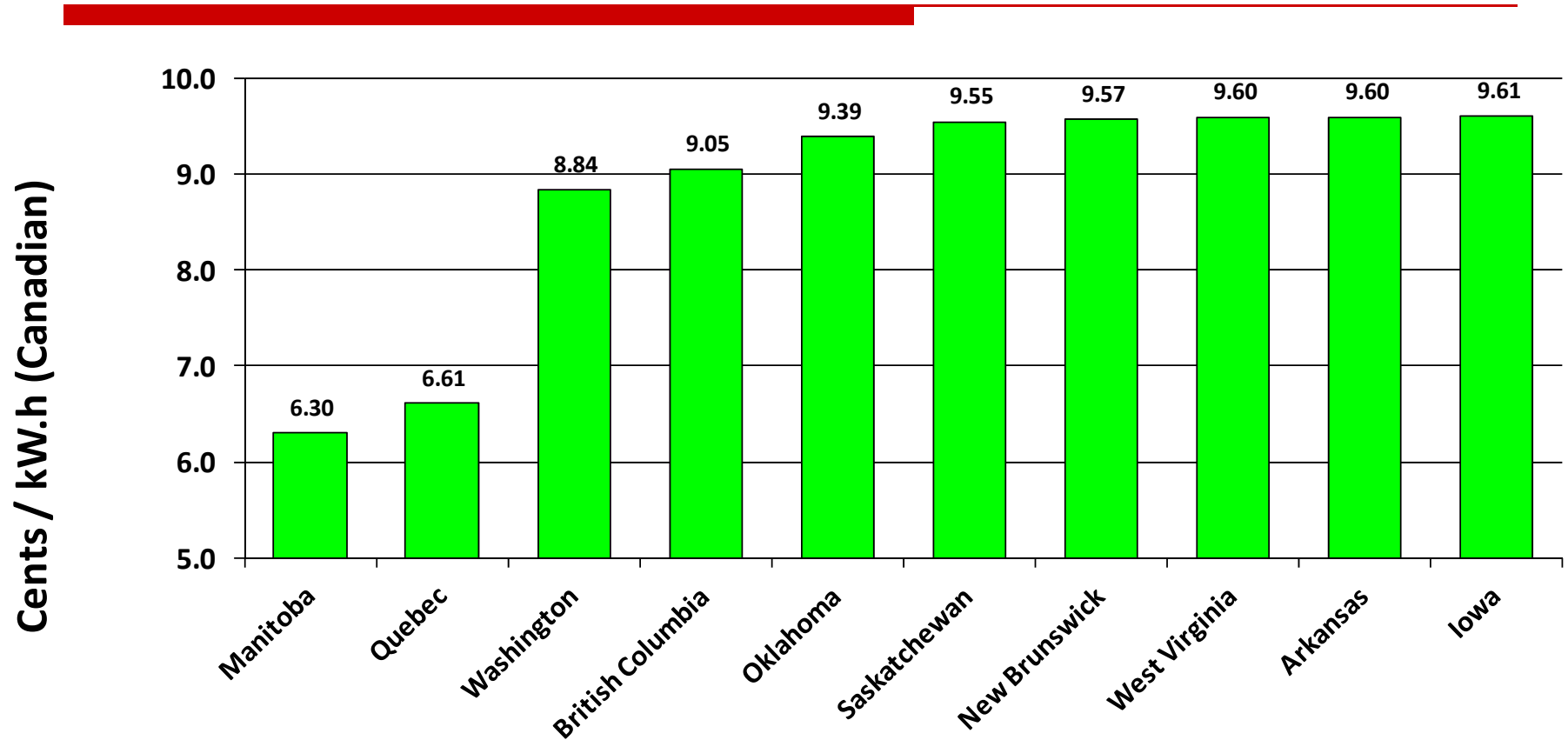
Interest Coverage Ratio



Rates

Average Retail Price of Electricity

Top 10 Provinces/ States in North America



Source: US Dept of Energy (December 2014) & Edison Electric Survey (January 2015)
(Exchange rate as of September 23, 2015: 1 US\$ = 1.3278 Cdn)

Utility Rate Changes

	2007	2008	2009	2010	2011	2012	2013	2014	2015	Cumulative	Current Rate Index*
Manitoba Hydro	2.25%	5.00%	2.90%	2.80%	2.00%	4.40%	3.50%	2.75%	3.95%	33.7%	100
Hydro Quebec	1.90%	2.90%	1.20%	0.35%	-0.40%	-0.50%	2.41%	4.30%	2.90%	16.0%	105
BC Hydro	2.10%	0.83%	9.28%	7.29%	7.77%	7.07%	1.44%	9.00%	6.00%	63.2%	144
SaskPower	4.20%	0.00%	8.50%	4.50%	0.00%	0.00%	4.90%	5.50%	3.00%	34.7%	152
NB Power	5.90%	3.00%	3.00%	3.00%	0.00%	0.00%	2.00%	2.00%	1.60%	22.3%	164
NS Power	3.80%	0.00%	9.30%	0.00%	6.05%	8.70%	3.00%	3.00%	0.00%	38.7%	212

* The Current Rate Index is based on the Edison Electric Institute's Survey and compares the average price per kWh (in Canadian \$) for the various utilities. Manitoba Hydro's average price is \$0.0630/kWh. The Survey is based on 12 months data ending December 2014.

Domestic Rate Strategy

Recent PUB Board Orders

- On [July 24, 2015](#) the PUB issued Orders 73/15 and 77/15 which approved a 3.95% across-the-board rate increase for all customer classes effective August 1, 2015
- On [January 16, 2015](#), Manitoba Hydro filed its 2015/16 & 2016/17 General Rate Application with the PUB, in which Manitoba Hydro requested approval, on an interim basis, of a 3.95% across-the-board rate increase effective April 1, 2015 and another effective April 1, 2016.

Domestic Rate Strategy

Future Plans

- MH will continue to request domestic rate increases in support of the Finance goal in the [Corporate Strategic Plan](#) to “maintain a strong financial structure.”

Questions?

Manitoba Hydro Corporate Update

Presentation to Moody's
June 17, 2015

Agenda

- Corporate Profile
- Financial Results
- Capital Overview
- Power Sale Contracts
- Liquidity & Projected Financing
- Financial Targets
- Rates

Corporate Profile

- ❑ One of the largest integrated electricity and natural gas utilities in Canada.
- ❑ 556,000 electricity customers and 272,000 natural gas customers.
- ❑ \$16 billion total assets.
- ❑ \$2 billion annual revenues.
- ❑ 5,725 MW generating capability.
- ❑ Among the lowest electricity rates in North America.
- ❑ One of Canada's "Top 100" Employers.

Financial Results

Financial Results

For the Fiscal Years Ended March 31st (\$ are in millions)

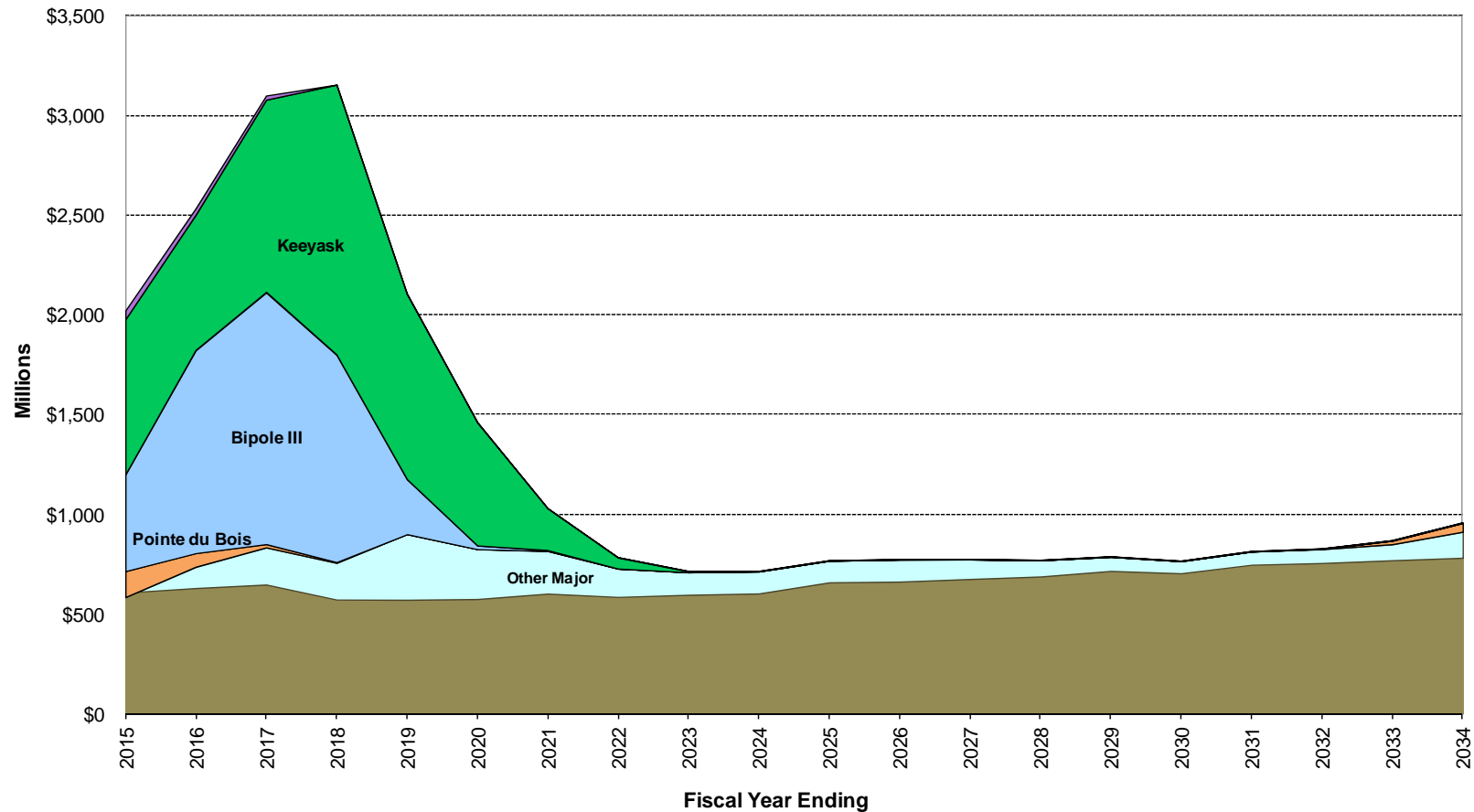
	Actual 2014	Preliminary 2015	Forecast 2016	Forecast 2017
Revenues (net of cost of gas)	\$2,035	\$2,031	\$2,121	\$2,203
Expenses	(1,883)	(1,928)	(2,007)	(2,144)
Non-Controlling Interest	22	11	12	8
Net Income	\$174	\$114	\$126	\$67
Total Assets	\$15,639	\$17,585	\$19,100	\$22,030
Retained Earnings	\$2,716	\$2,830	\$2,901	\$2,968
Financial Ratios:				
Debt/ Equity	76:24	79:21	81:19	83:17
Interest Coverage	1.28	1.17	1.17	1.07

Capital Overview

Major Generation and Transmission Projects

- Bipole III (2018/19) \$4.65 billion
- 695 MW Keeyask G.S. (2019/20) \$6.50 billion

Capital Expenditures (CEF14)



Long-Term Export Contracts

Future Long-Term Export Contracts

- Minnesota Power
 - 250 MW System Participation Sale starting in 2020 (15 years)
 - 133 MW Energy Sale starting in 2020 (20 years)

- Northern States Power
 - 125 MW System Power Sale starting in 2021 (4 years)
 - 75 MW System Power Sale starting in 2016 (4 years)

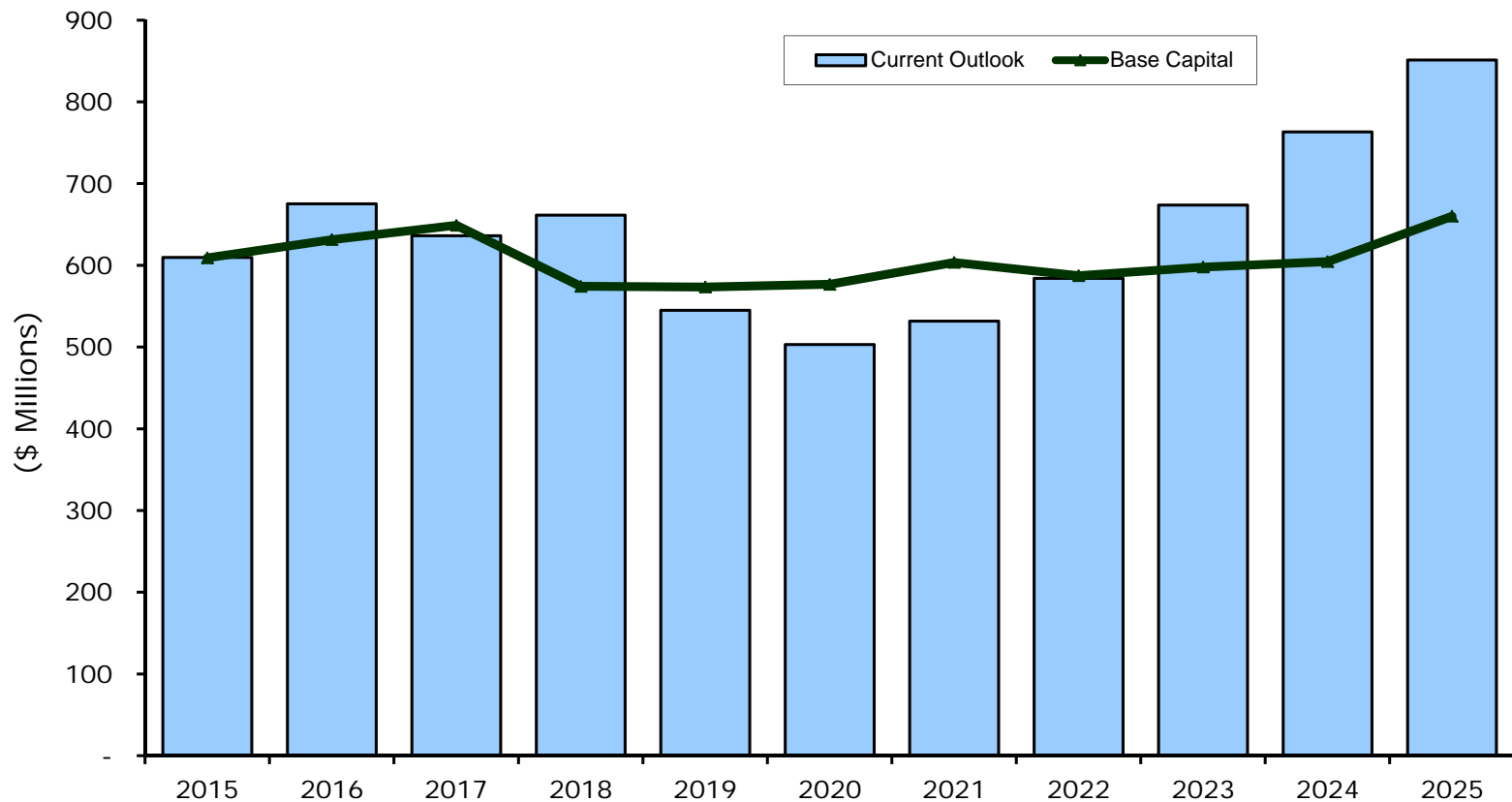
- SaskPower
 - 25 MW System Power Sale starting in 2015 (7 years)

Future Long-Term Export Contracts

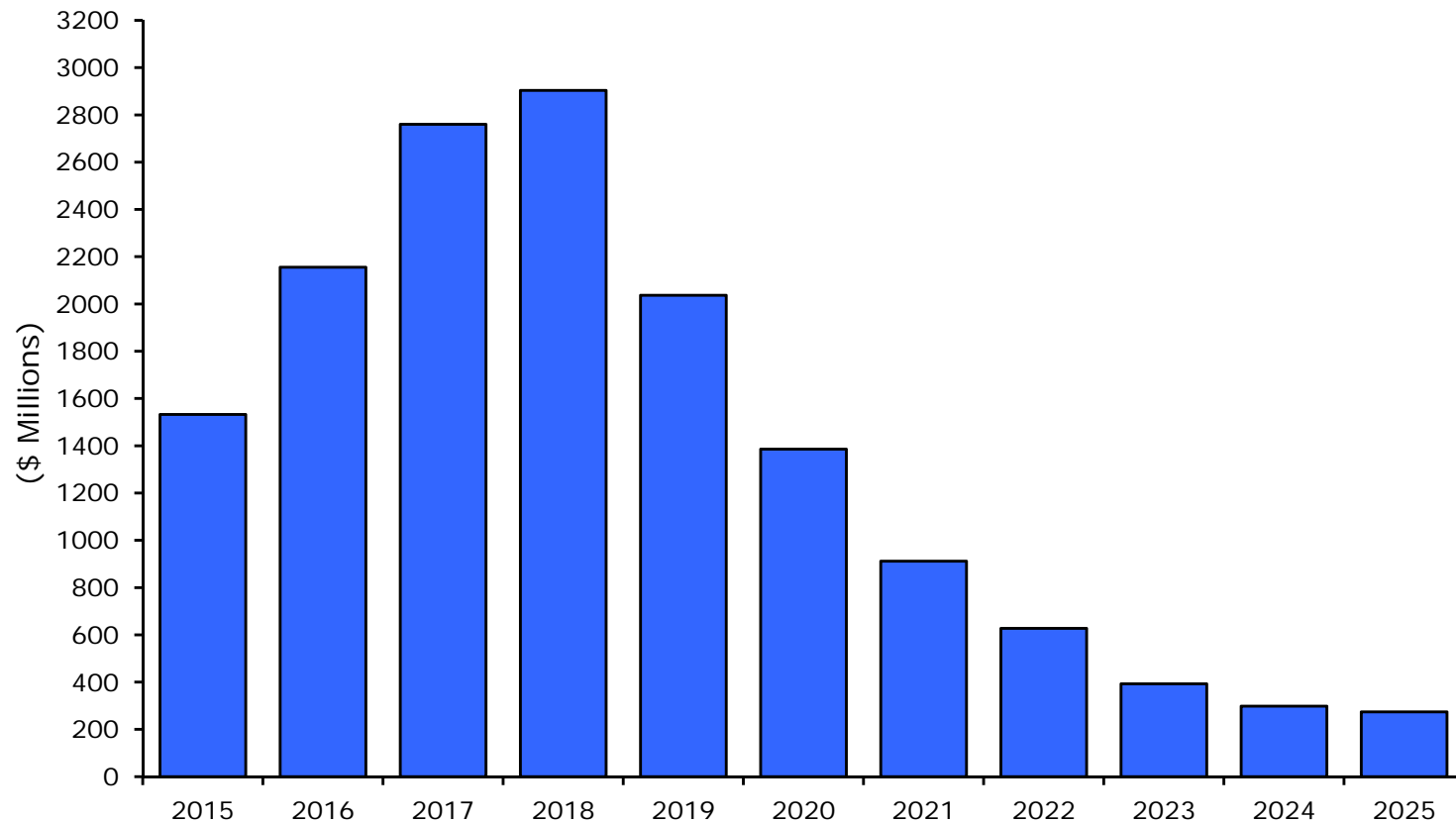
- Wisconsin Public Service
 - 108 MW System Power Sale starting in 2016 (5 years)
 - 100 MW System Power Sale starting in 2021 (4 years)
 - 308 MW System Power Sale starting in 2027 (9 years)
 - 8 MW Energy Sale starting in 2023 (6 years)

Liquidity & Financing

Cash Flow from Operations (IFF14)

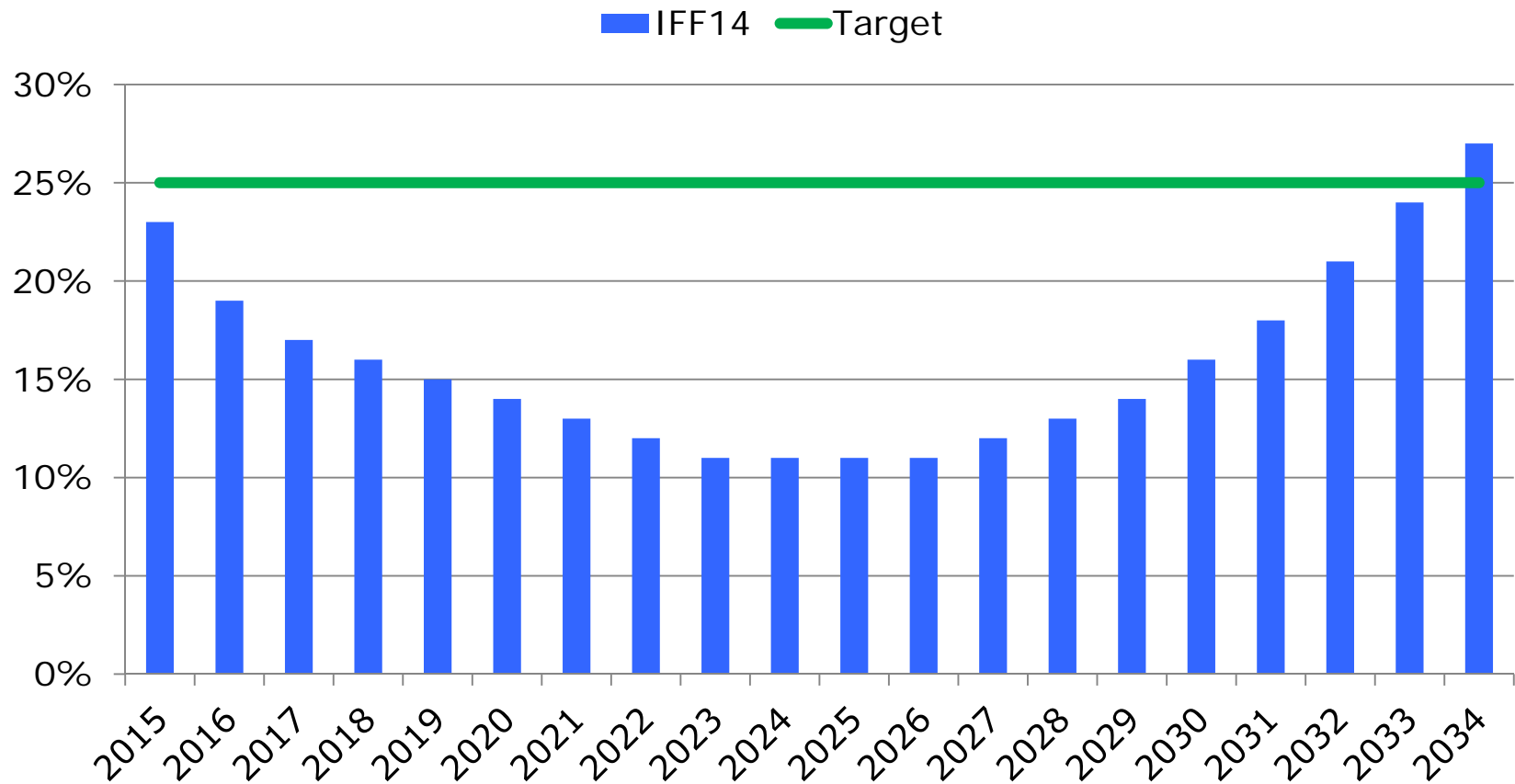


Forecasted New Debt Financing Requirements (IFF14)

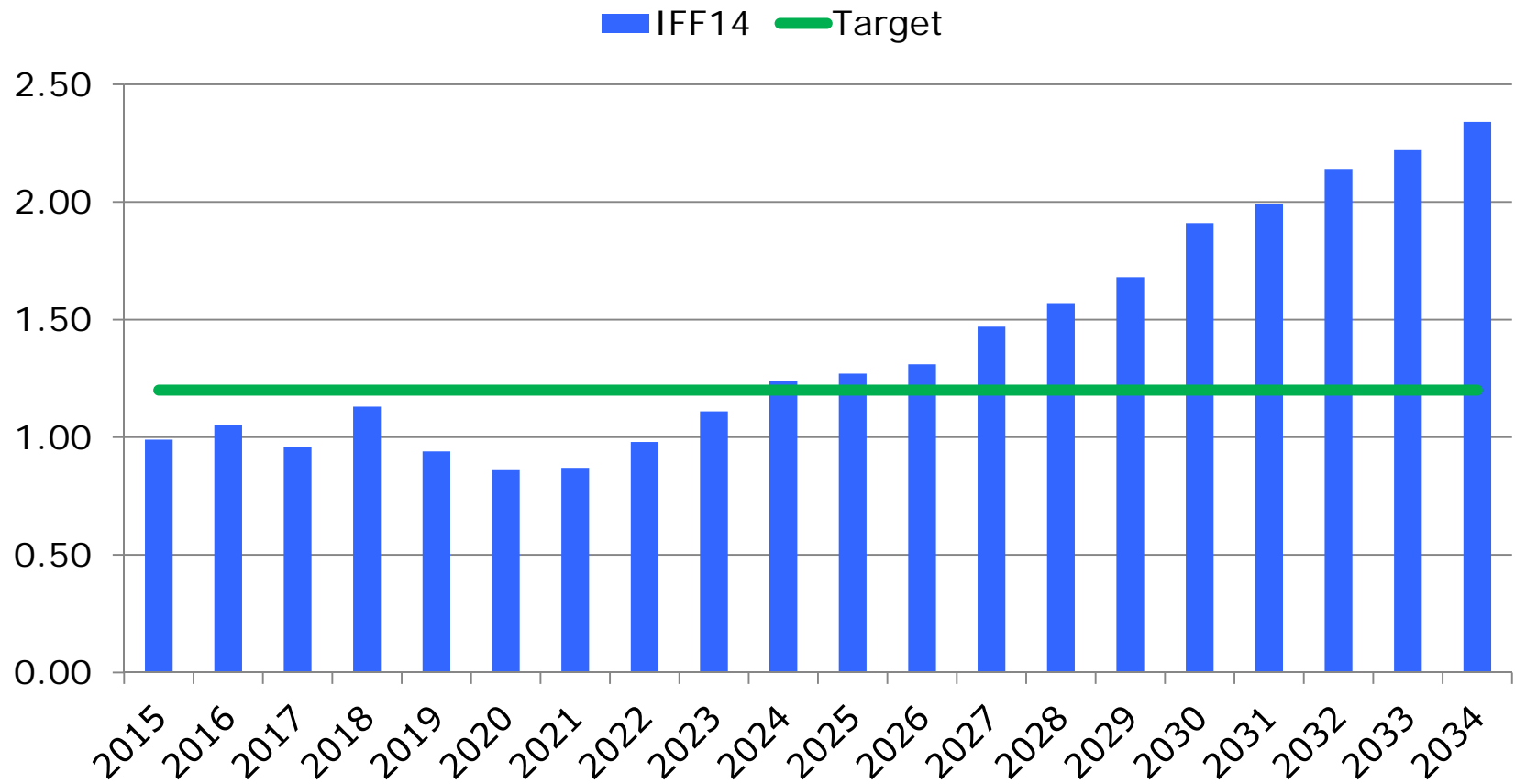


Financial Targets

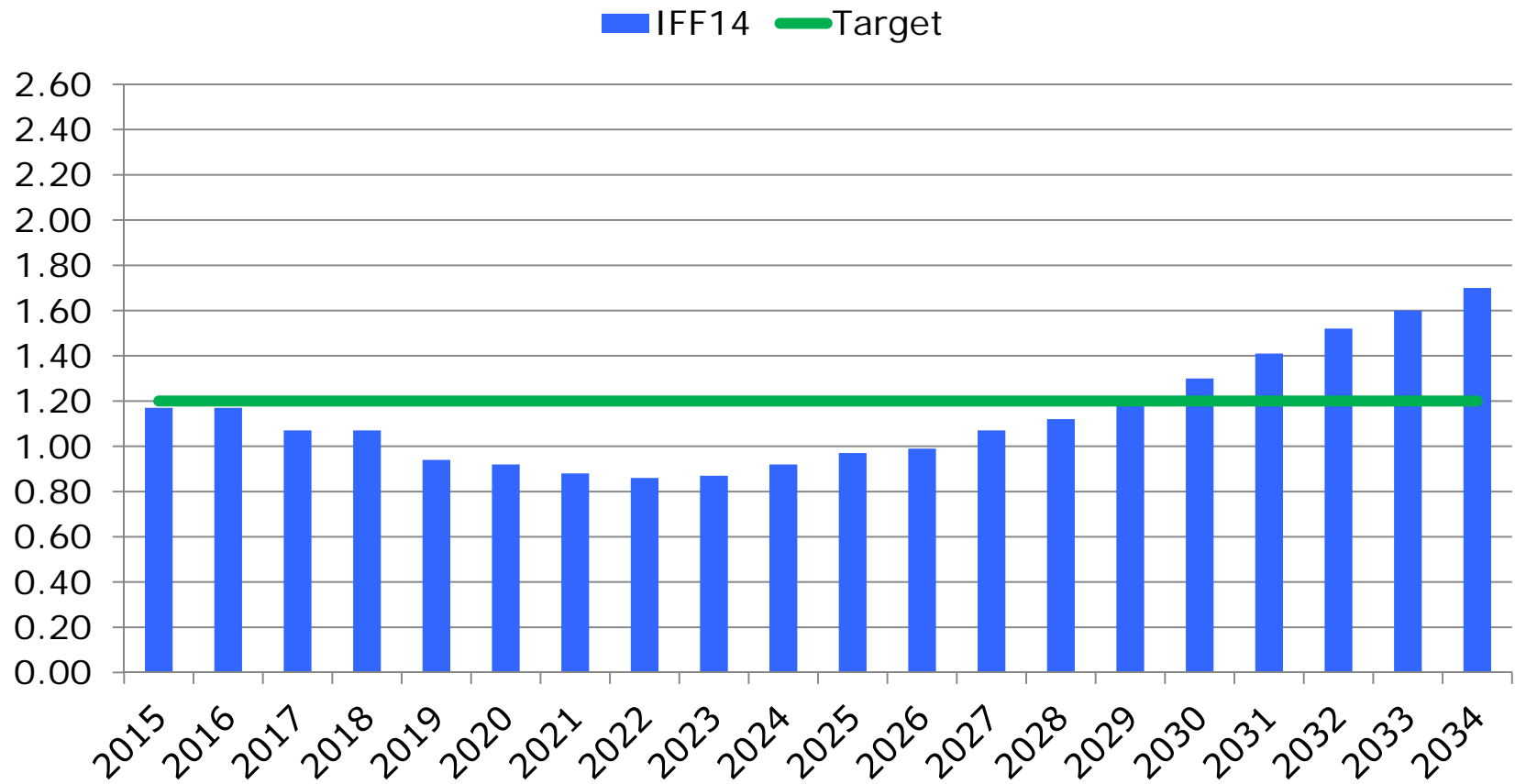
Equity Ratio



Capital Coverage Ratio



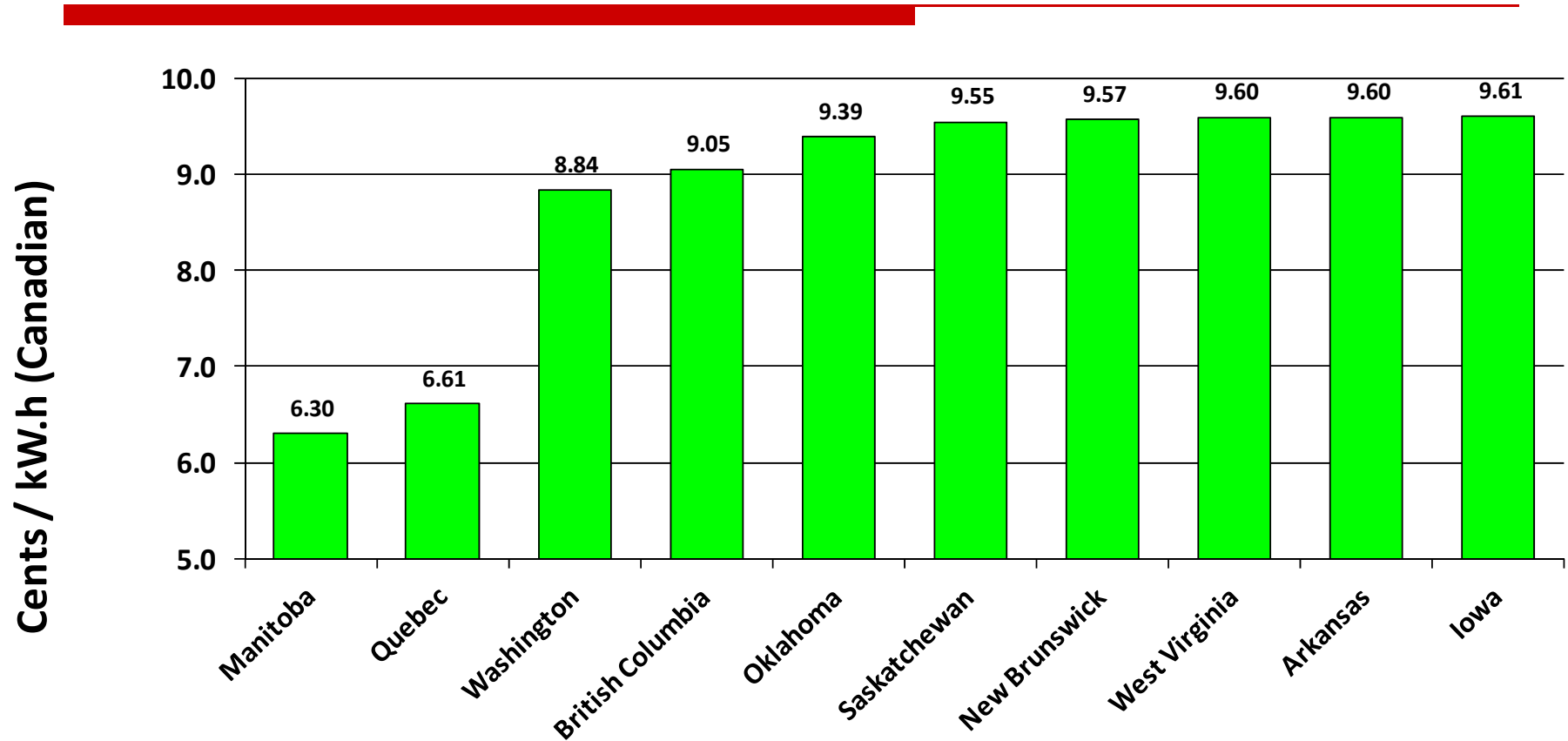
Interest Coverage Ratio



Rates

Average Retail Price of Electricity

Top 10 Provinces/ States in North America



Source: US Dept of Energy (December 2014) & Edison Electric Survey (January 2015)
(Exchange rate as of March 31, 2015: 1 US\$ = 1.2683 Cdn)

Utility Rate Changes

	2007	2008	2009	2010	2011	2012	2013	2014	2015	Cumulative	Current Rate Index*
Manitoba Hydro	2.25%	5.00%	2.90%	2.80%	2.00%	4.40%	3.50%	2.75%	3.95%	33.7%	100
									Proposed		
Hydro Quebec	1.90%	2.90%	1.20%	0.35%	-0.40%	-0.50%	2.41%	4.30%	2.90%	16.0%	105
BC Hydro	2.10%	0.83%	9.28%	7.29%	7.77%	7.07%	1.44%	9.00%	6.00%	63.2%	144
SaskPower	4.20%	0.00%	8.50%	4.50%	0.00%	0.00%	4.90%	5.50%	3.00%	34.7%	152
NB Power	5.90%	3.00%	3.00%	3.00%	0.00%	0.00%	2.00%	2.00%	2.00%	20.4%	164
									Proposed		
NS Power	3.80%	0.00%	9.30%	0.00%	6.05%	8.70%	3.00%	3.00%	0.00%	38.7%	212

* The Current Rate Index is based on the Edison Electric Institute's Survey and compares the average price per kWh (in Canadian \$) for the various utilities. Manitoba Hydro's average price is \$0.0630/kWh. The Survey is based on 12 months data ending December 2014.

Domestic Rate Strategy

Recent PUB Board Orders

- On [May 7, 2014](#), the PUB issued Order 51/14 with respect to Manitoba Hydro's Application for Interim Rates Effective May 1, 2014 approving on an interim basis a [2.75%](#) across-the-board rate increase for all customer classes.
- On [January 16, 2015](#), Manitoba Hydro filed its 2015/16 & 2016/17 General Rate Application with the PUB, in which Manitoba Hydro is requesting approval, on an interim basis, of a 3.95% across-the-board rate increase effective April 1, 2015 and another effective April 1, 2016.

Domestic Rate Strategy

Future Plans

- MH will continue to request domestic rate increases in support of the Finance goal in the [Corporate Strategic Plan](#) to “maintain a strong financial structure.”

Questions?

Manitoba Hydro Corporate Update

Presentation to Moody's
July 13, 2016

Agenda

- Corporate Profile
- Financial Results
- Capital Overview
- Power Sale Contracts
- Liquidity & Projected Financing
- Financial Targets
- Rates

Corporate Profile

- ❑ One of the largest integrated electricity and natural gas utilities in Canada.
- ❑ 568,000 electricity customers and 277,000 natural gas customers.
- ❑ \$20 billion total assets.
- ❑ \$2 billion annual revenues.
- ❑ 5,680 MW generating capability.
- ❑ Among the lowest electricity rates in North America.
- ❑ One of Canada's "Top 100" Employers.

Financial Results

Financial Results - IFRS

For the Fiscal Years Ended March 31st (\$ are in millions)

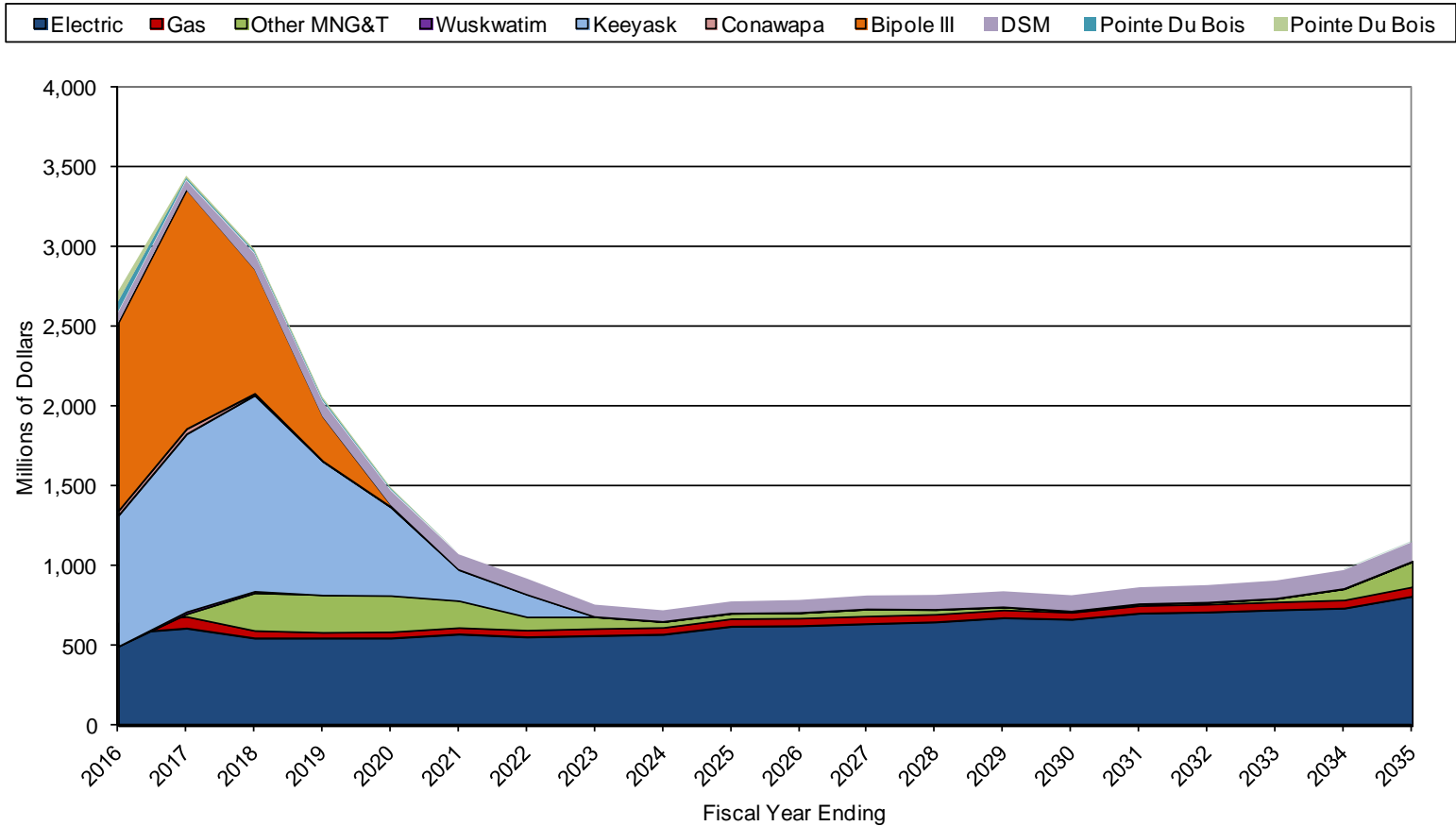
	Preliminary 2015	Preliminary 2016	Forecast 2017	Forecast 2018
Revenues	\$2,316	\$2,258	\$2,436	\$2,511
Expenses	(2,229)	(2,266)	(2,403)	(2,441)
Net Movement in Regulatory Balances	38	47	0	0
Non-Controlling Interest	11	10	9	4
Net Income	\$136	\$49	\$42	\$74
Total Assets and Regulatory Deferral Balance	\$17,567	\$19,780	\$23,360	\$26,286
Retained Earnings	\$2,779	\$2,828	\$2,793	\$2,867
Financial Ratios:				
Debt/ Equity	82:18	83:17	86:14	85:15
EBITDA Interest Coverage	1.73	1.55	1.55	1.55

Capital Overview

Major Generation and Transmission Projects

- Bipole III (2018/19) \$4.65 billion
- 695 MW Keeyask G.S. (2019/20) \$6.50 billion

Capital Expenditures (CEF15)



Long-Term Export Contracts

Future Long-Term Export Contracts

- Minnesota Municipal Power Agency
 - 60 MW Energy Sale starting in 2017 (5 years)

- Minnesota Power
 - 250 MW System Participation Sale starting in 2020 (15 years)
 - 133 MW Energy Sale starting in 2020 (20 years)
 - 50 MW Capacity Sale starting in 2018 (2 years)

- Northern States Power
 - 125 MW System Power Sale starting in 2021 (4 years)

Future Long-Term Export Contracts

- SaskPower
 - 100 MW System Power Sale starting in 2020 (20 years)

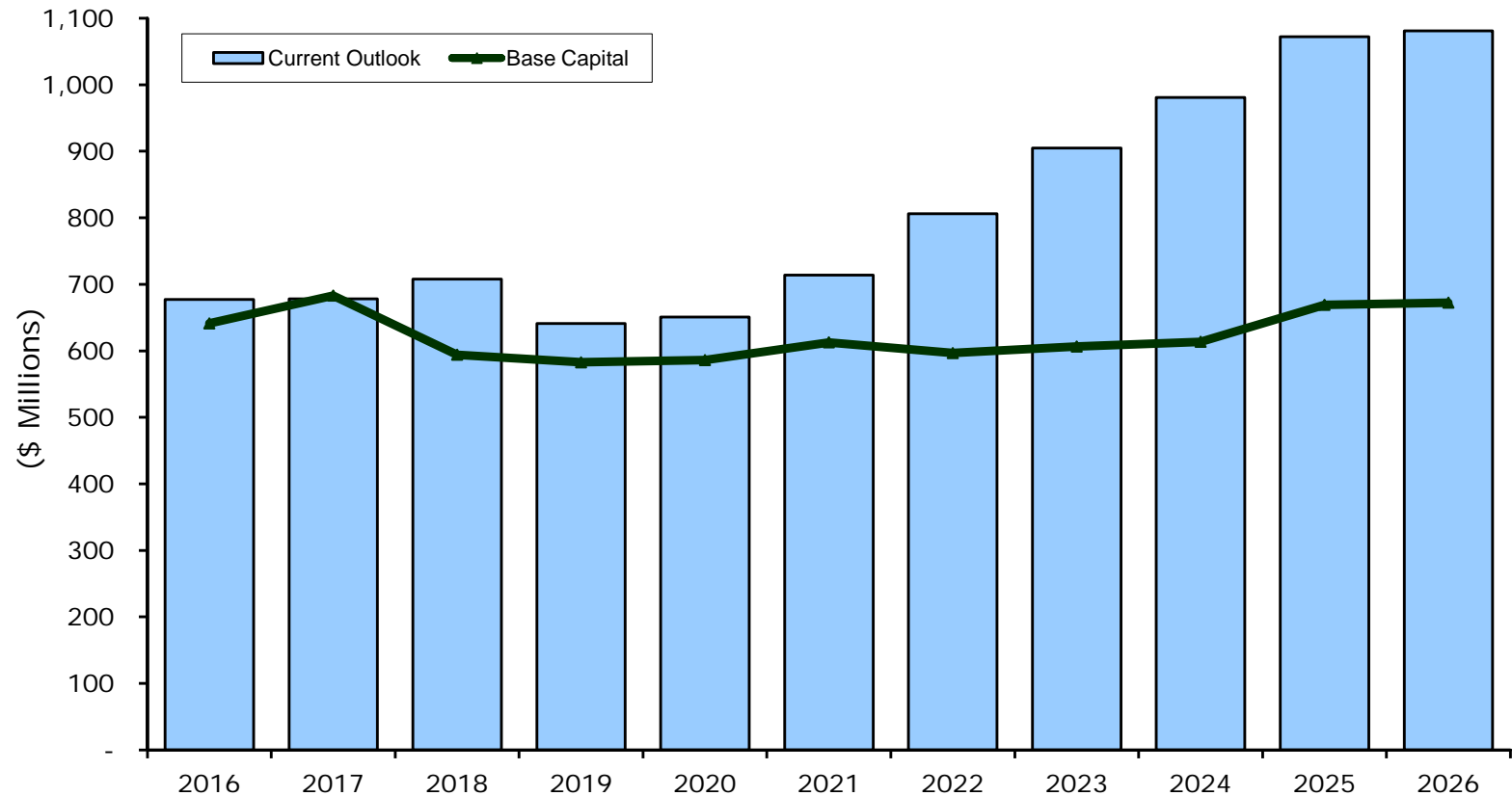
- Wisconsin Public Service
 - 100 MW System Power Sale starting in 2021 (4 years)
 - (with an option to extend to 2027)
 - 100 MW Energy Sale starting in 2025 (4 years)
 - 308 MW System Power Sale TBD (Ending in 2036)
 - 8 MW Energy Sale starting in 2023 (6 years)

- Basin Electric Power
 - 50 MW Capacity Sale starting in 2018 (2 years)

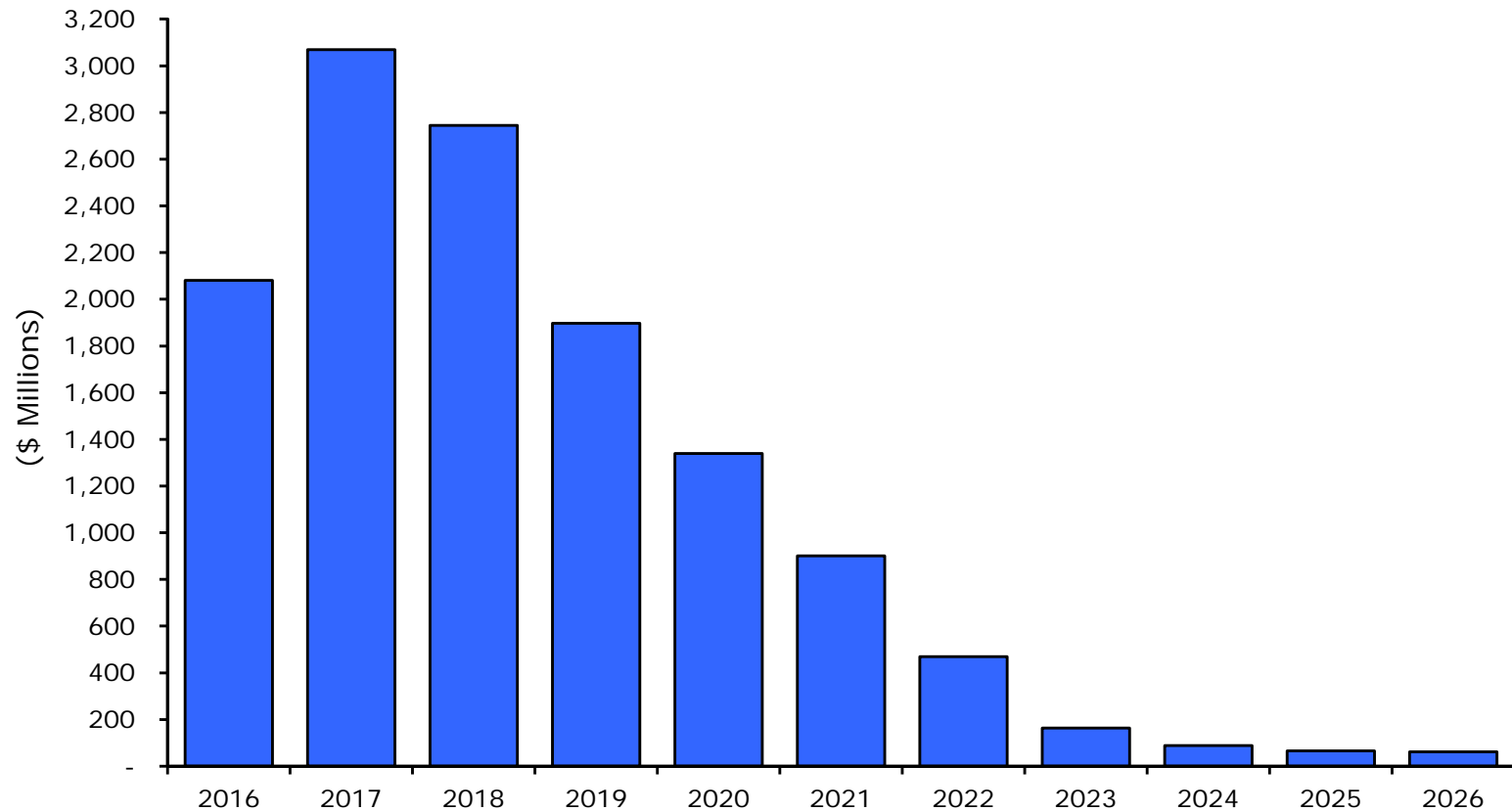


Liquidity & Financing

Cash Flow from Operations (IFF15)



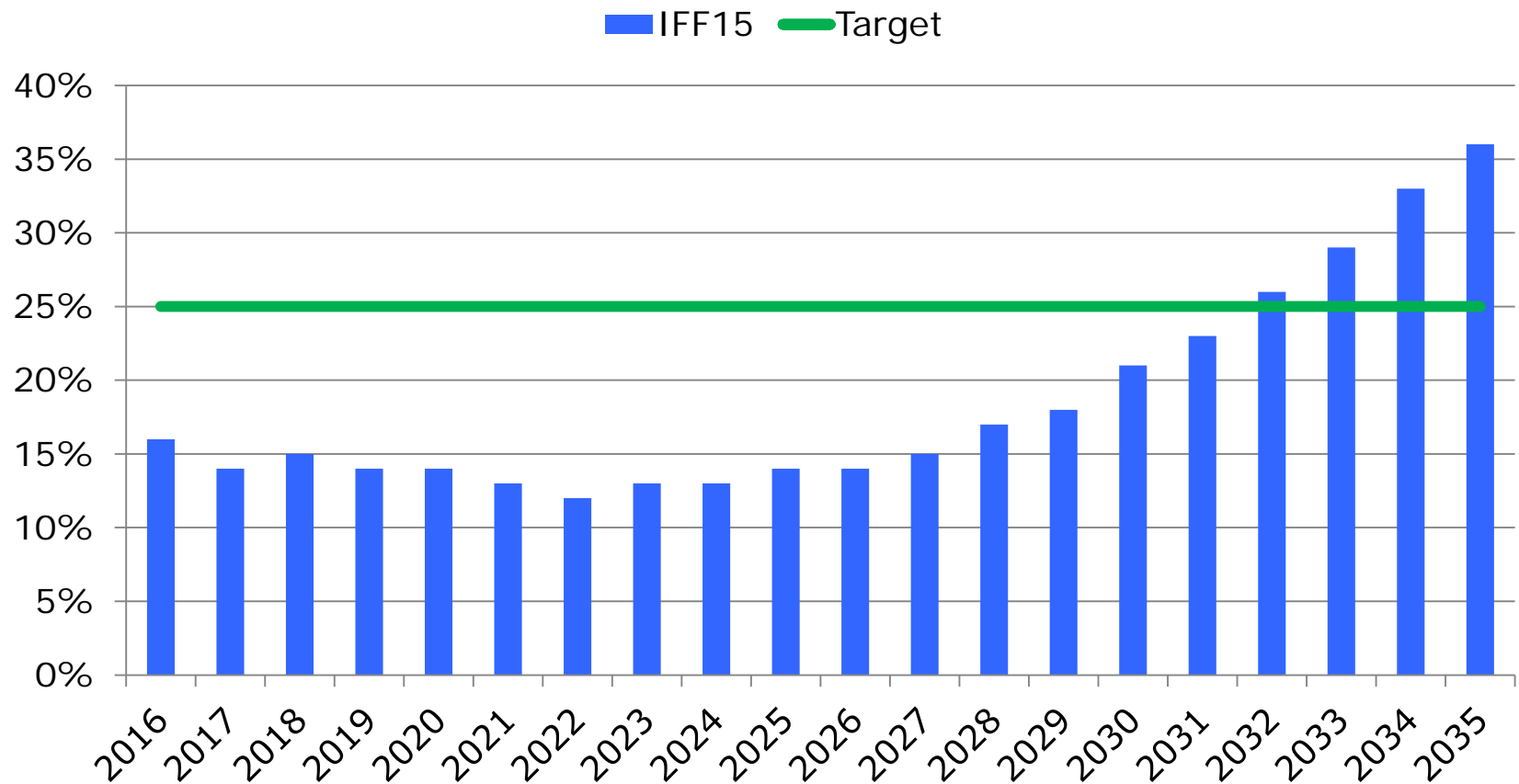
Forecasted New Debt Financing Requirements (IFF15)



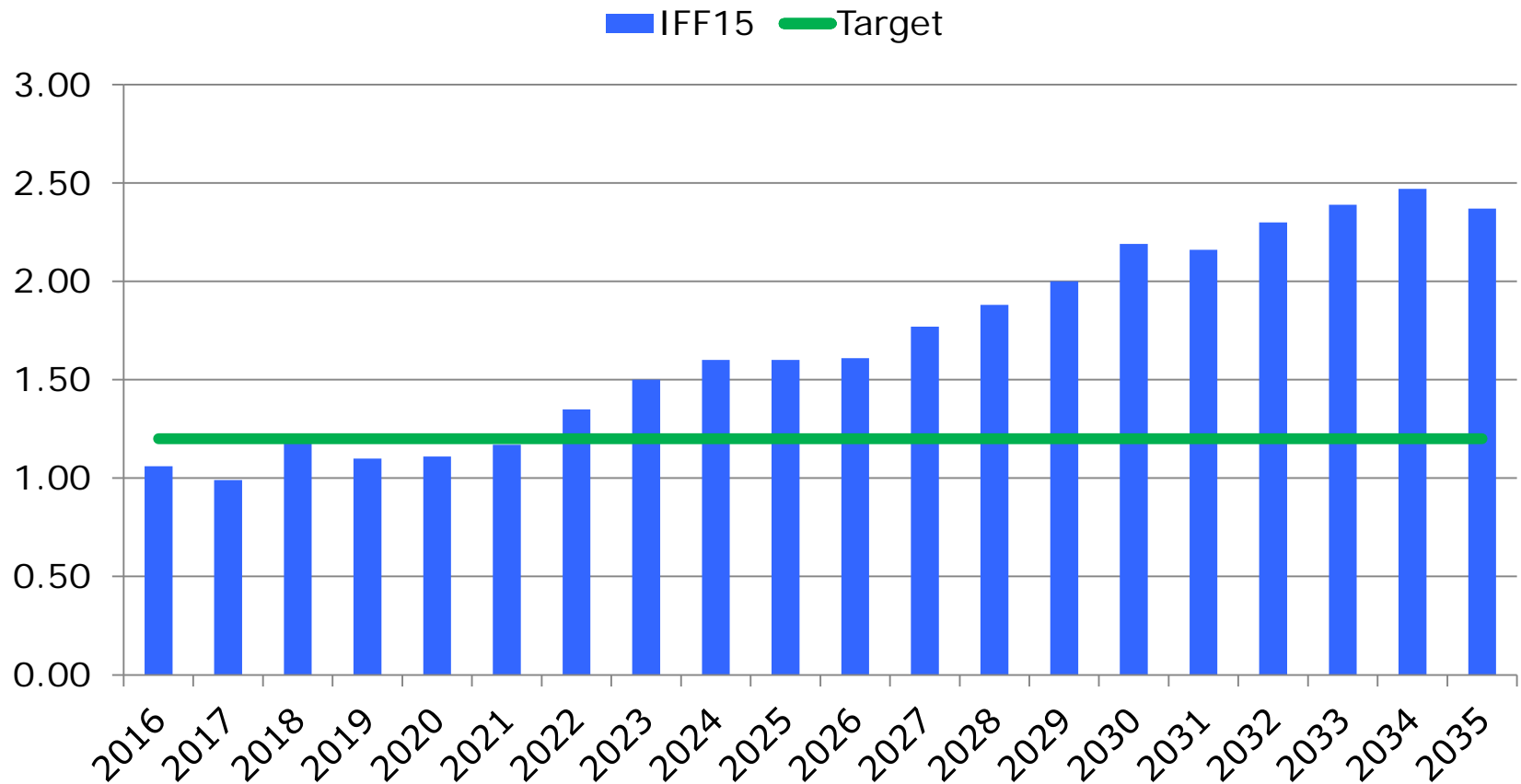


Financial Targets

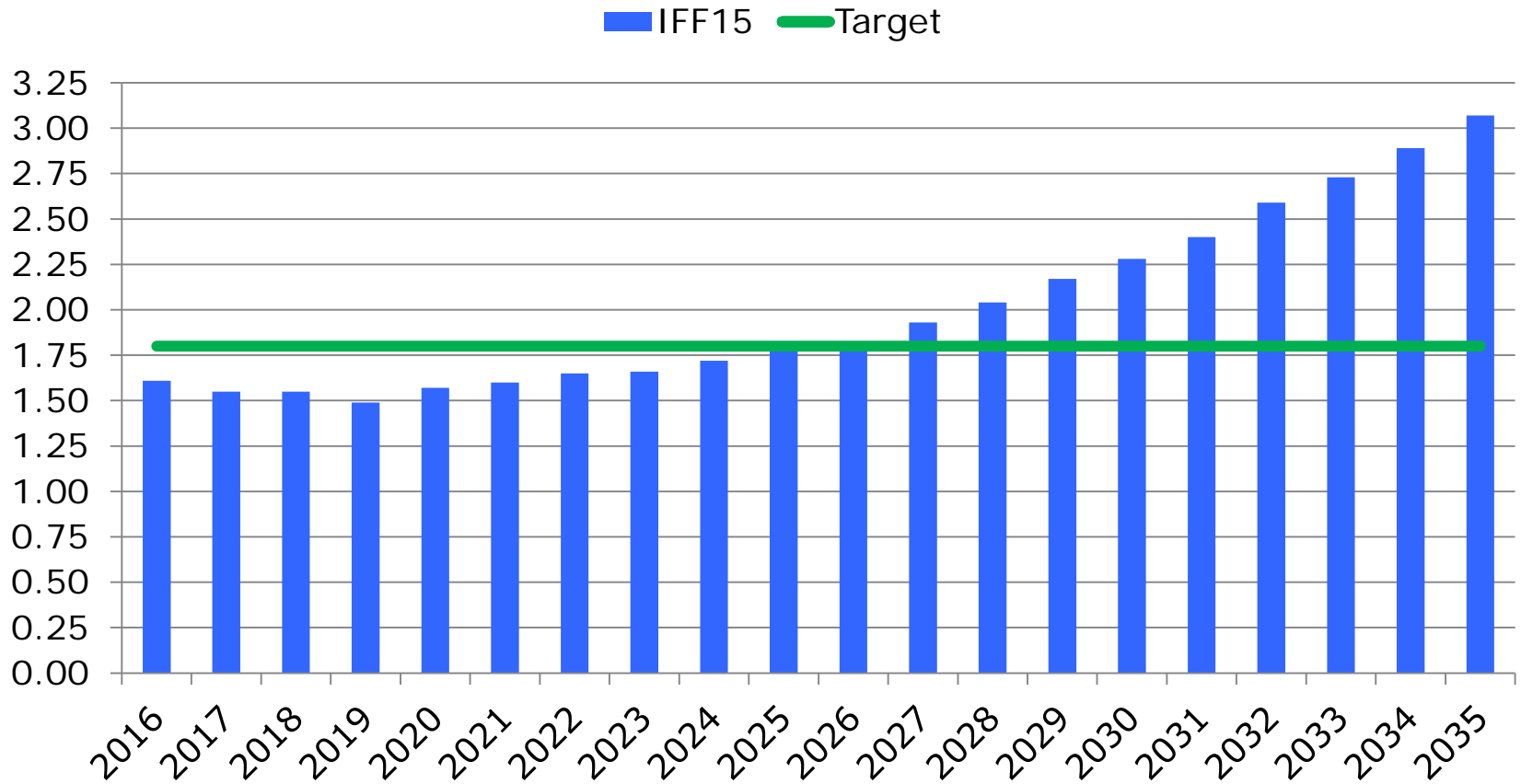
Equity Ratio



Capital Coverage Ratio



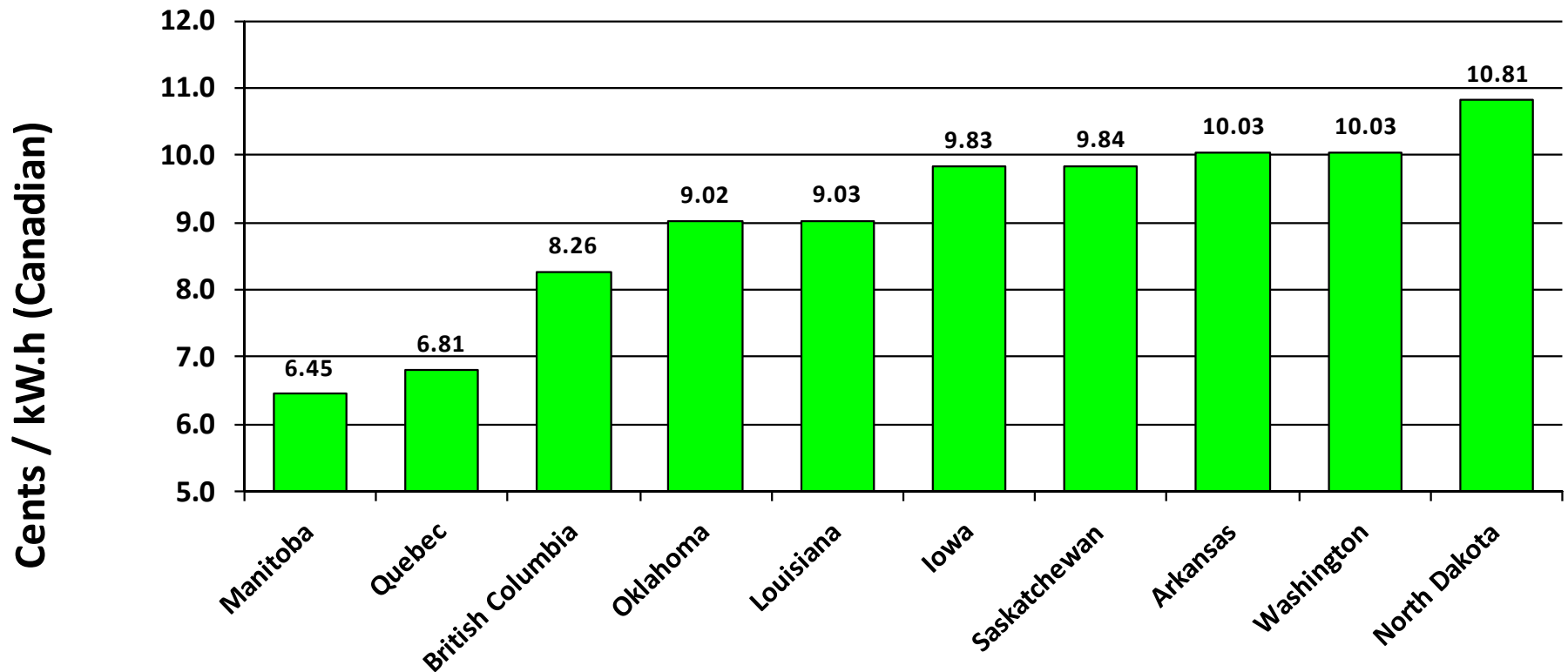
Interest Coverage Ratio



Rates

Average Retail Price of Electricity

Top 10 Provinces/ States in North America



Source: US Dept of Energy (December 2015) & Edison Electric Survey (January 2016)
(Exchange rate as of May 4, 2016: 1 US\$ = 1.2870 Cdn)

Utility Rate Changes

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Cumulative	Current Rate Index*
Manitoba Hydro	2.25%	5.00%	2.90%	2.80%	2.00%	4.40%	3.50%	2.75%	3.95%	3.36%	38.2%	100
Hydro Quebec	1.90%	2.90%	1.20%	0.35%	-0.40%	-0.50%	2.41%	4.30%	2.90%	0.70%	16.8%	106
BC Hydro	2.10%	0.83%	9.28%	7.29%	7.77%	7.07%	1.44%	9.00%	6.00%	4.00%	69.8%	129
SaskPower	4.20%	0.00%	8.50%	4.50%	0.00%	0.00%	4.90%	5.50%	5.00%	5.00% (proposed)	44.2%	152
New Brunswick Power	5.90%	3.00%	3.00%	3.00%	0.00%	0.00%	2.00%	2.00%	1.60%	2.00% (proposed)	24.8%	159
Nova Scotia Power	3.80%	0.00%	9.30%	0.00%	6.05%	8.70%	3.00%	3.00%	0.00%	-1.00%	37.4%	207

* This index is based on the Edison Electric Institute Survey and compares the average price per kWh for the various utilities. Manitoba Hydro's average price is \$0.0645/kWh in Canadian dollars. The Survey is based on 12 months data ending December 2015. SaskPower average price/kWh is based on their 2015 annual report.

Domestic Rate Strategy

Recent PUB Board Orders

- On [July 24, 2015](#), the PUB issued Orders 73/15 and 77/15 with respect to Manitoba Hydro's 2015/16 & 2016/17 General Rate Application approving a 3.95% across-the-board rate increase for all customer classes effective August 1, 2015.
- On [April 28, 2016](#), the PUB issued Order 59/16 with respect to Manitoba Hydro's Supplemental Filing for Interim Electric Rates effective April 1, 2016 approving a 3.36% interim increase; Manitoba Hydro had requested a 3.95% across-the-board rate increase.

Domestic Rate Strategy

Future Plans

- MH will continue to request domestic rate increases in support of the Finance goal in the [Corporate Strategic Plan](#) to “maintain a strong financial structure.”

Questions?

Manitoba Hydro Corporate Update

Presentation to Moody's
July 20, 2017

Agenda

- Corporate Profile
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- Financial Targets
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Corporate Profile

- ❑ One of the largest integrated electricity and natural gas utilities in Canada.
- ❑ 573,000 electricity customers and 279,000 natural gas customers.
- ❑ \$22 billion total assets.
- ❑ \$2 billion annual revenues.
- ❑ 5,680 MW generating capability.
- ❑ Among the lowest electricity rates in North America.
- ❑ One of Canada's "Top 100" Employers.

Financial Results

Financial Results - IFRS

For the Fiscal Years Ended March 31st (\$ are in millions)

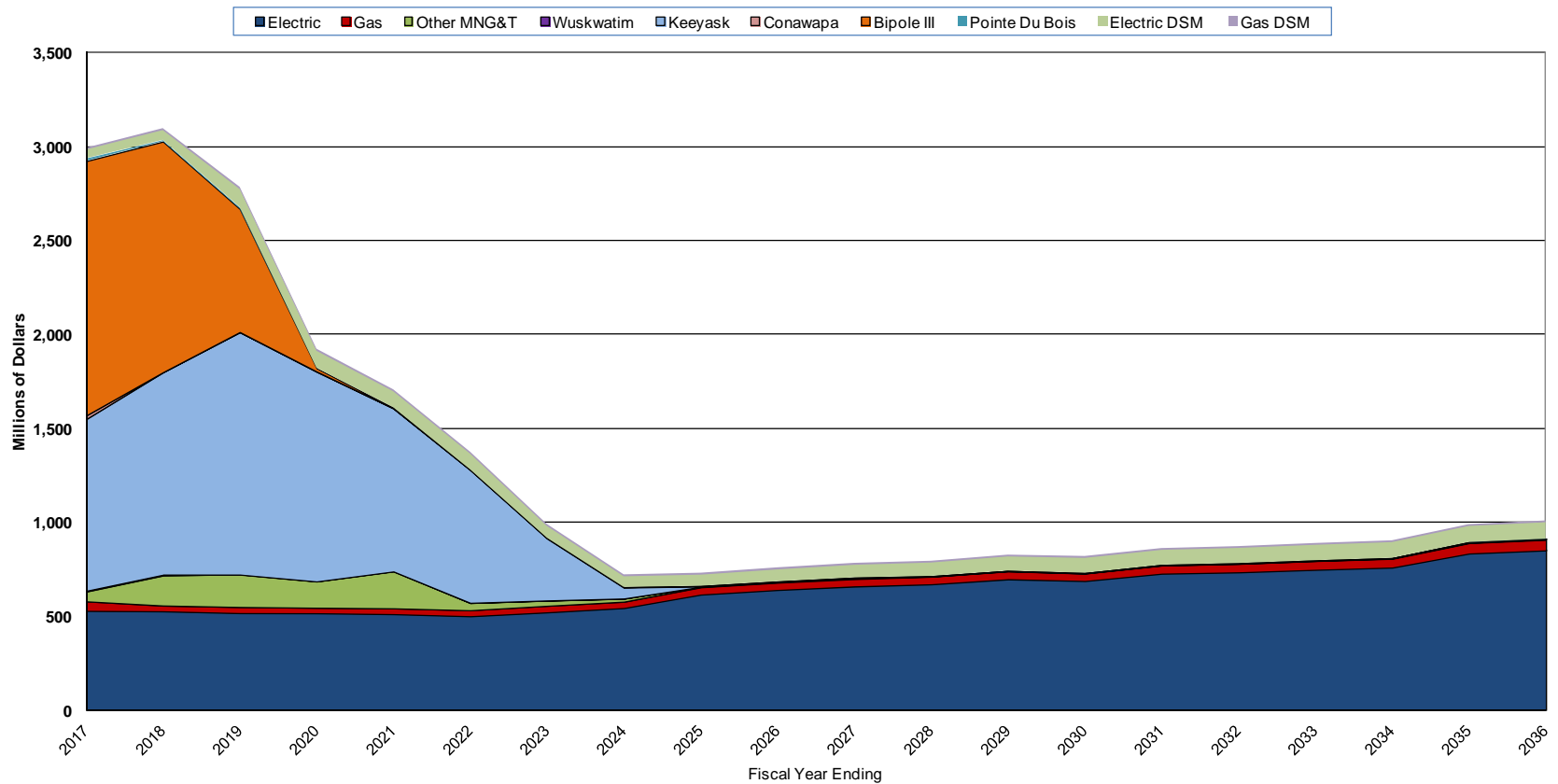
	2016	Preliminary 2017	Forecast 2018	Forecast 2019
Revenues	\$2,258	\$2,327	\$2,512	\$2,780
Expenses	(2,266)	(2,323)	(2,425)	(2,578)
Net Movement in Regulatory Balances	47	55	93	109
Non-Controlling Interest	10	12	8	1
Net Income	\$49	\$71	\$188	\$312
Total Assets and Regulatory Deferral Balance	\$19,779	\$22,338	\$25,533	\$28,366
Retained Earnings	\$2,828	\$2,899	\$3,087	\$3,399
Financial Ratios:				
Debt/ Equity	83:17	84:16	85:15	85:15
EBITDA Interest Coverage	1.57	1.54	1.66	1.83

Capital Overview

Major Generation and Transmission Projects

- Bipole III (2018/19) \$5.04 billion
- 695 MW Keeyask G.S. (2021/22) \$8.70 billion

Capital Expenditures (CEF16)



Long-Term Export Contracts

Future Long-Term Export Contracts

- Minnesota Power
 - 250 MW System Participation Sale starting in 2020 (15 years)
 - 133 MW Energy Sale starting in 2020 (20 years)

- Northern States Power
 - 125 MW System Power Sale starting in 2021 (4 years)

Future Long-Term Export Contracts

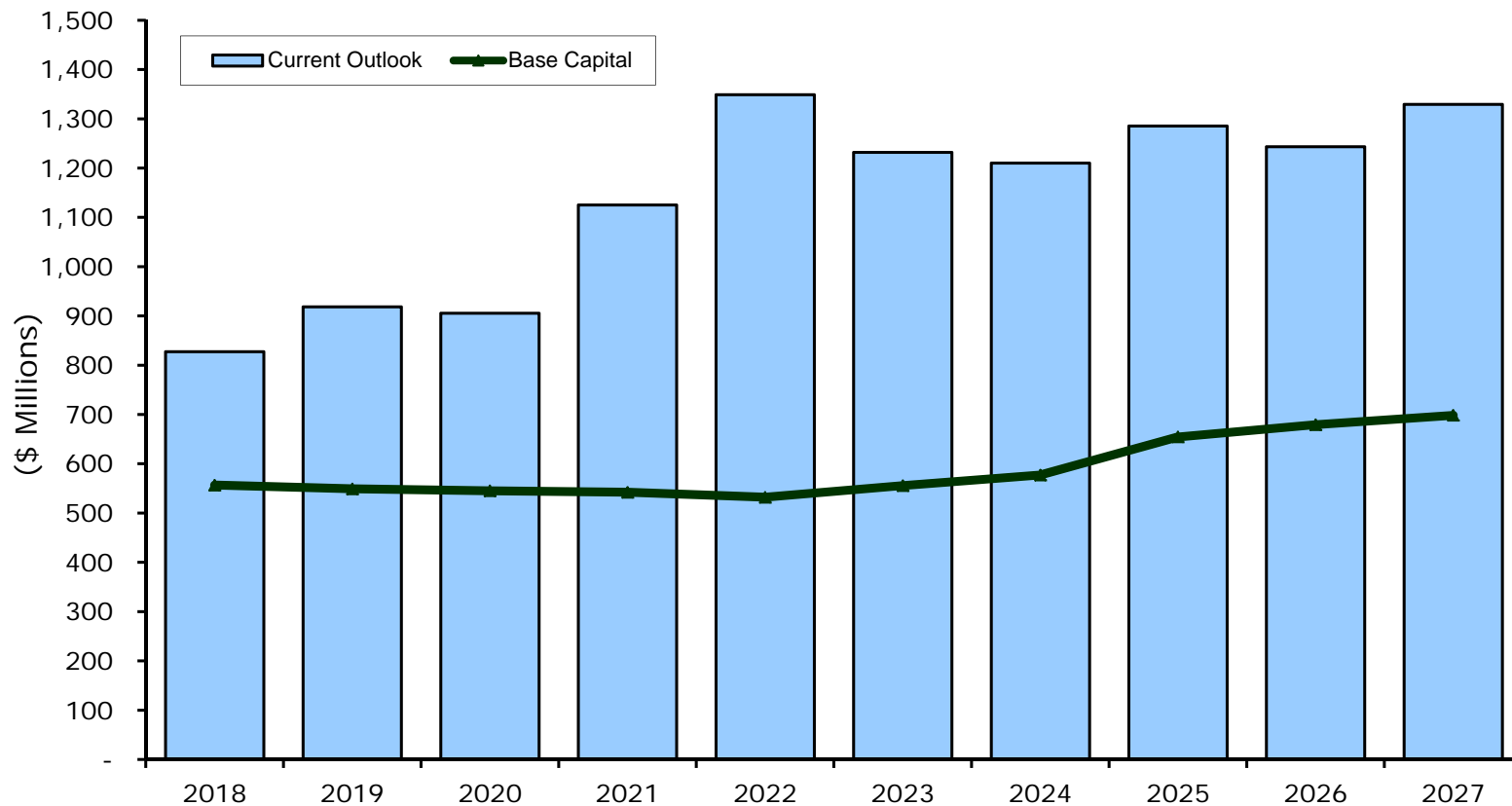
- SaskPower
 - 100 MW System Power Sale starting in 2020 (20 years)

- Wisconsin Public Service
 - 100 MW System Power Sale starting in 2021 (4 years)
 - 100 MW Energy Sale starting in 2025 (4 years)
 - 308 MW System Power Sale TBD (Ending in 2036)
 - 8 MW Energy Sale starting in 2023 or 2021 (6 years)

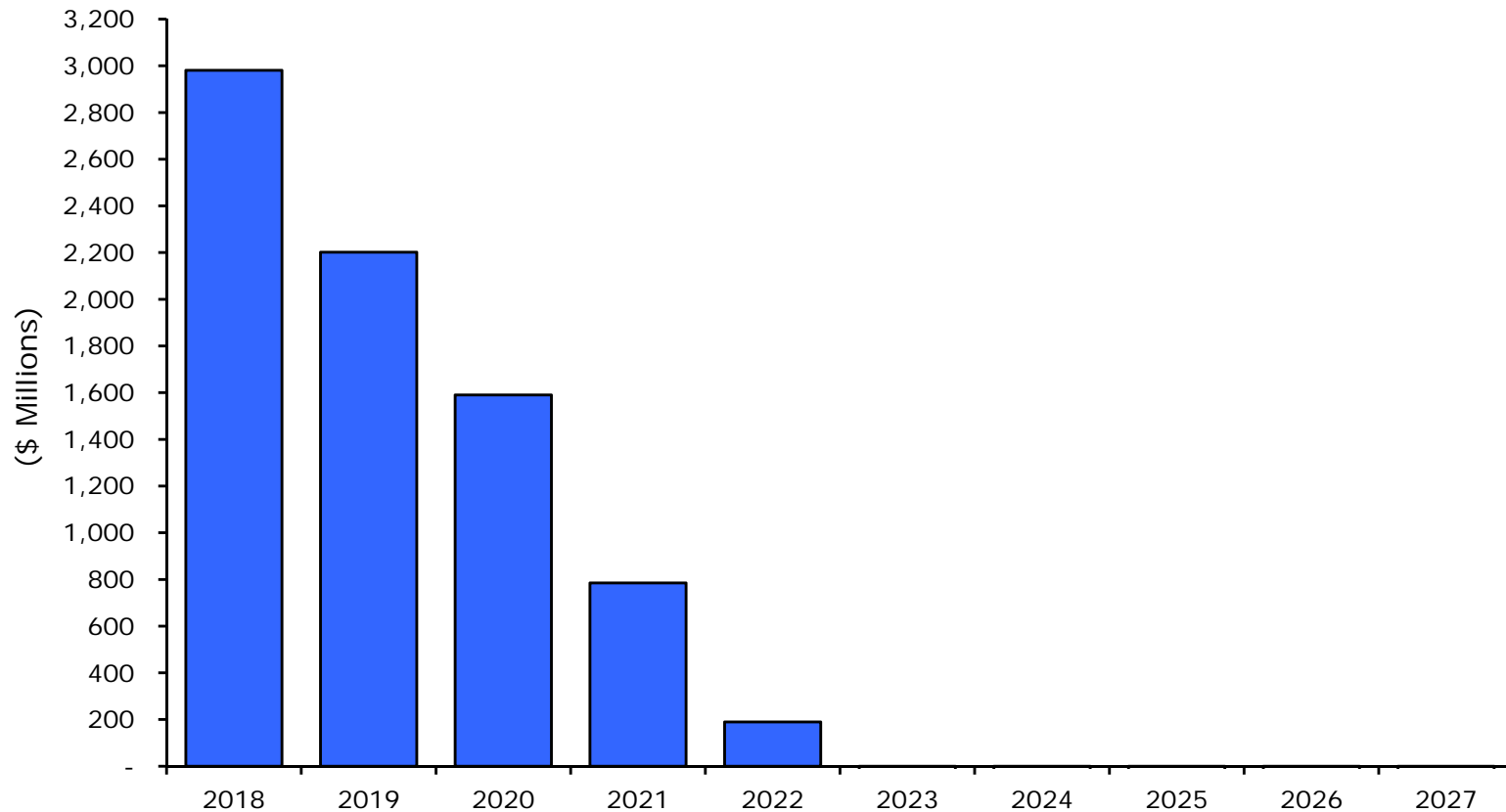
- Basin Electric Power
 - 50 MW Capacity Sale starting in 2018 (2 years)
 - 50 MW Capacity Sale starting in 2020 (1 year)

Liquidity & Financing

Cash Flow from Operations (IFF16 Update)

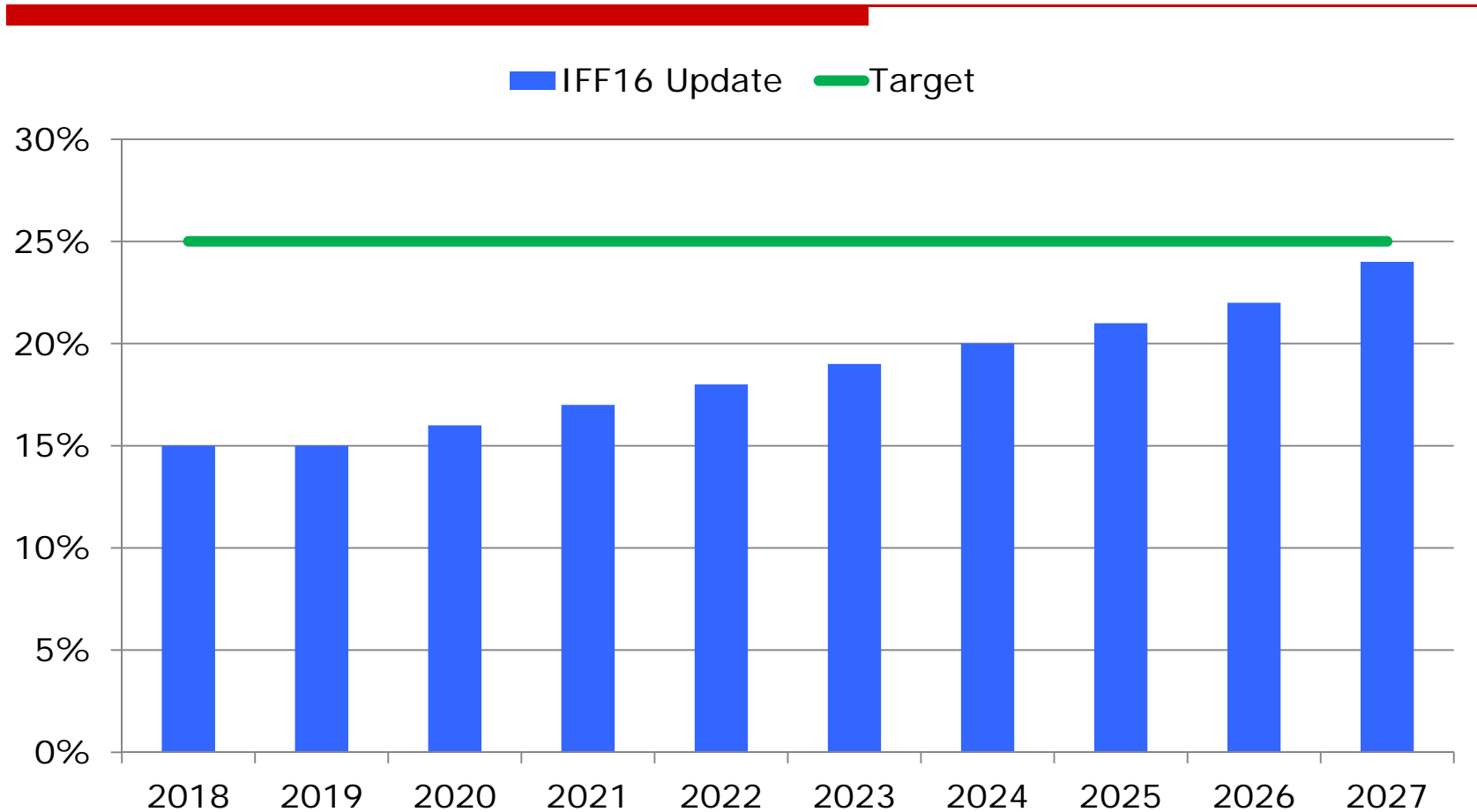


Forecasted New Debt Financing Requirements (IFF16 Update)

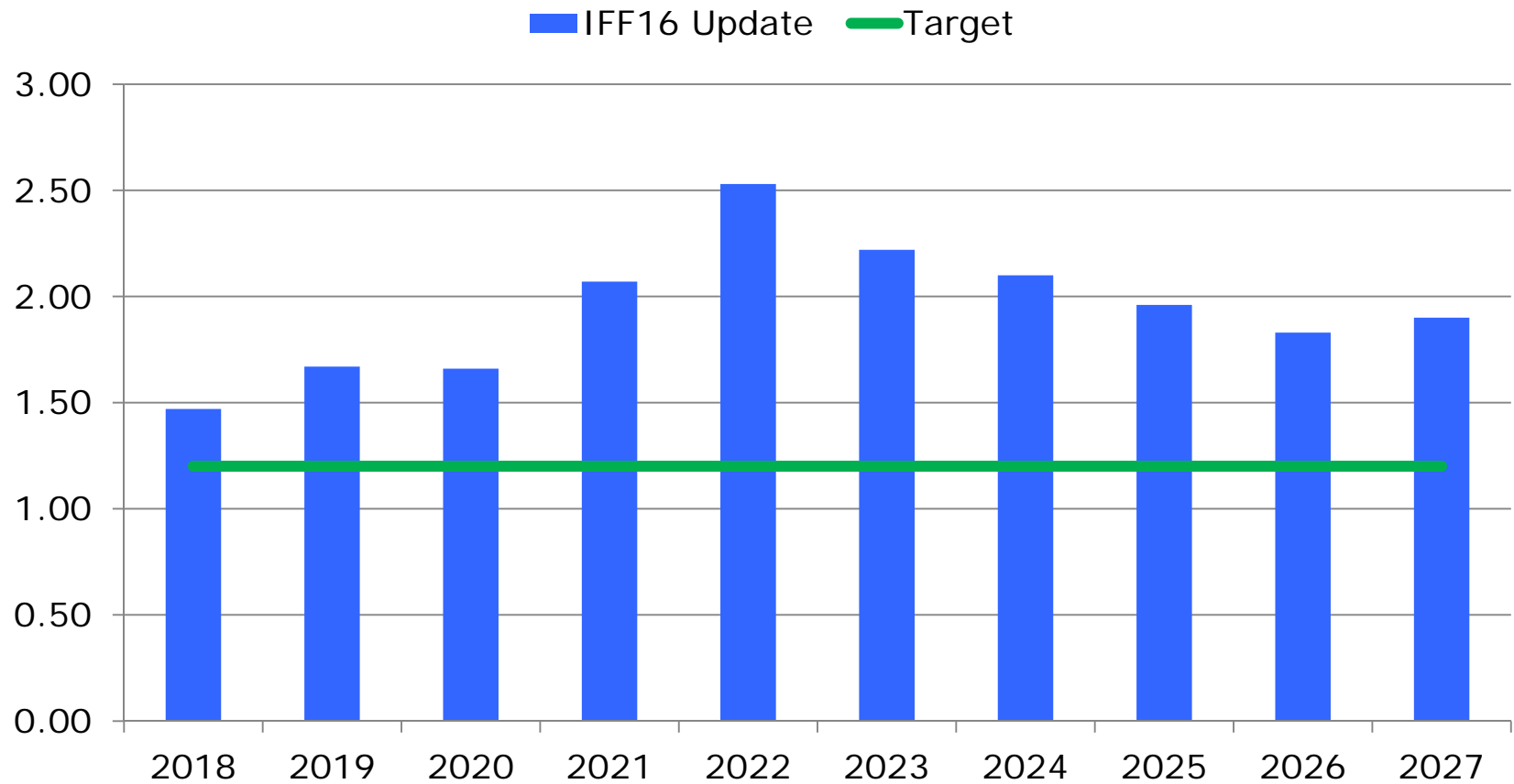


Financial Targets

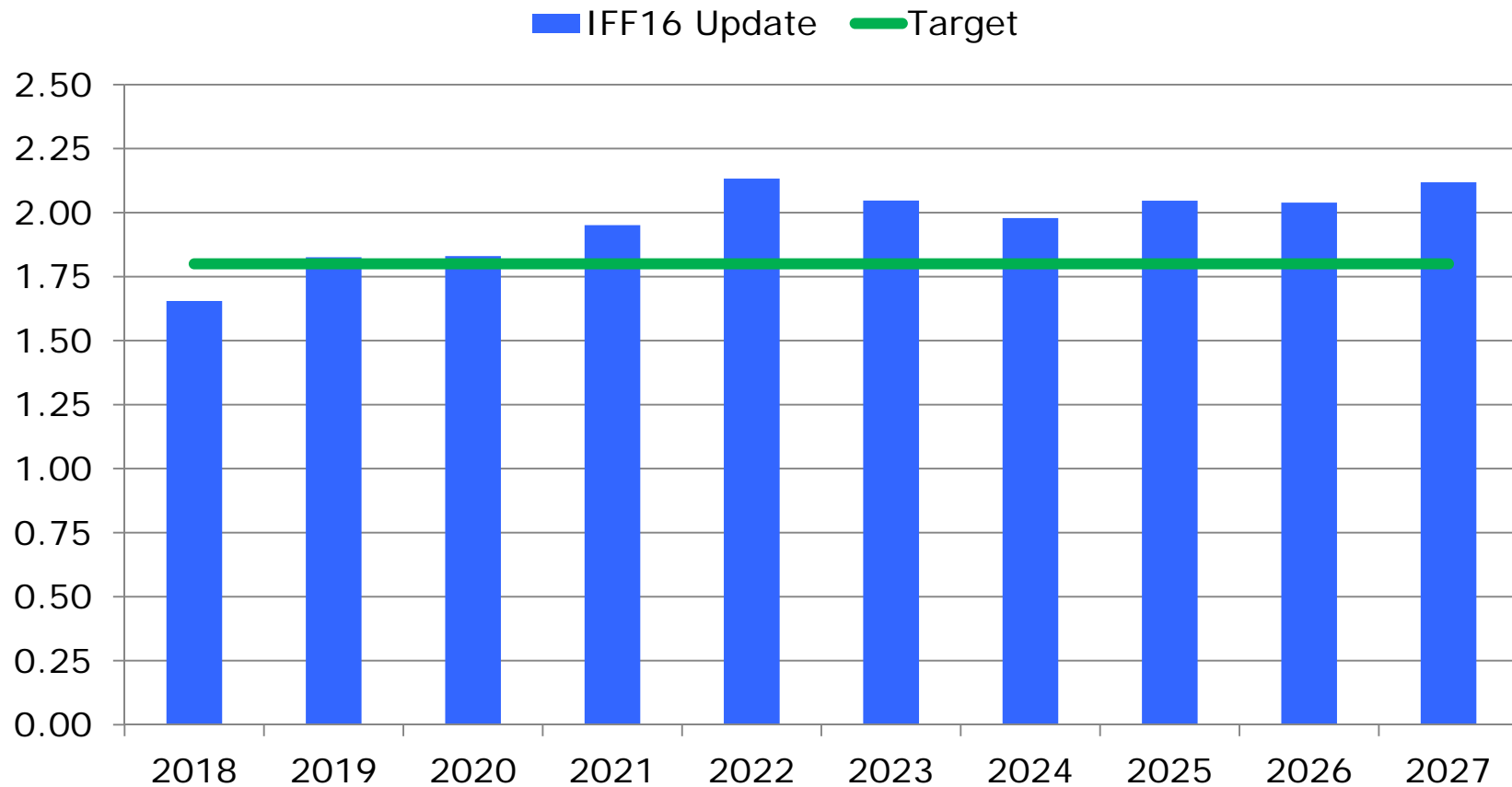
Equity Ratio



Capital Coverage Ratio



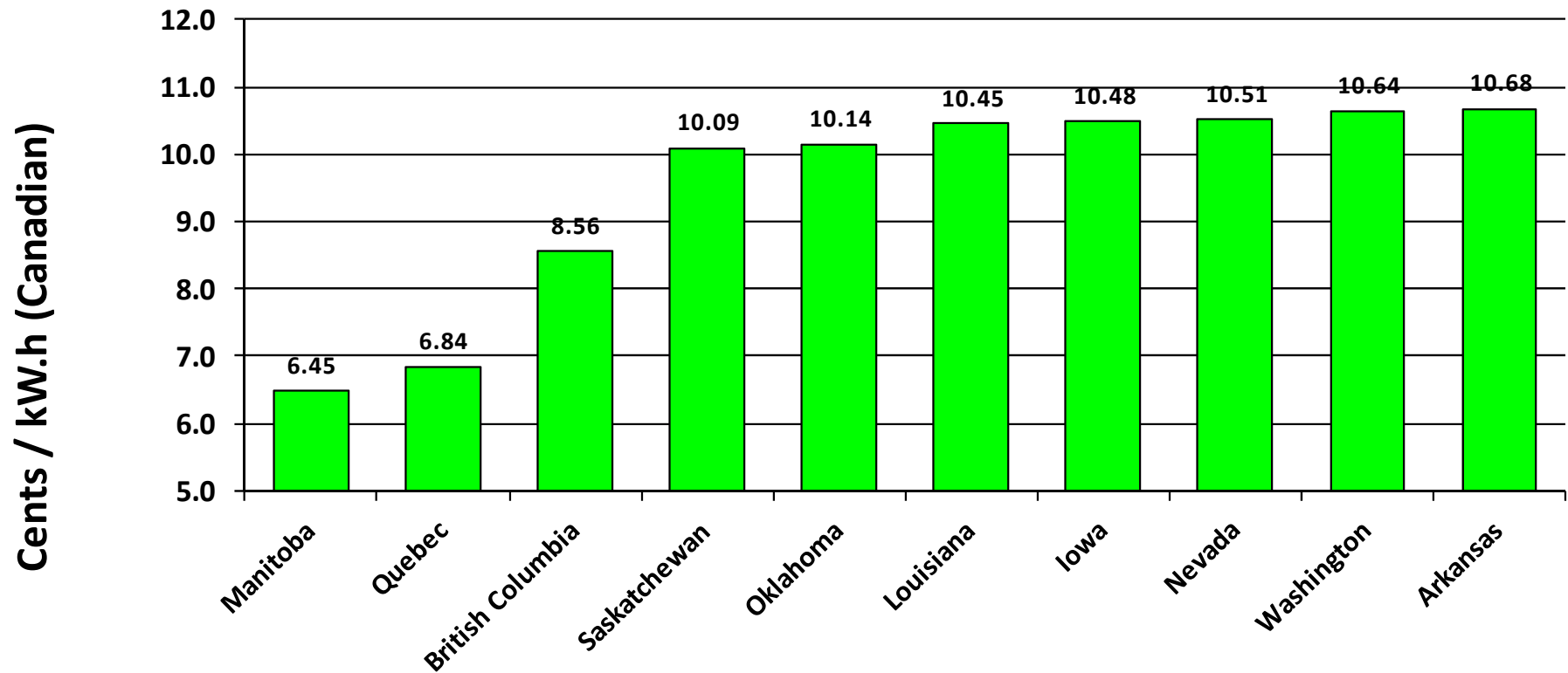
EBITDA Interest Coverage Ratio



Rates

Average Retail Price of Electricity

Top 10 Provinces/ States in North America



Source: US Dept of Energy (December 2016) & Edison Electric Survey (January 2017)
(Exchange rate as of April 26 ,2017: 1 US\$ = 1.3592 Cdn)

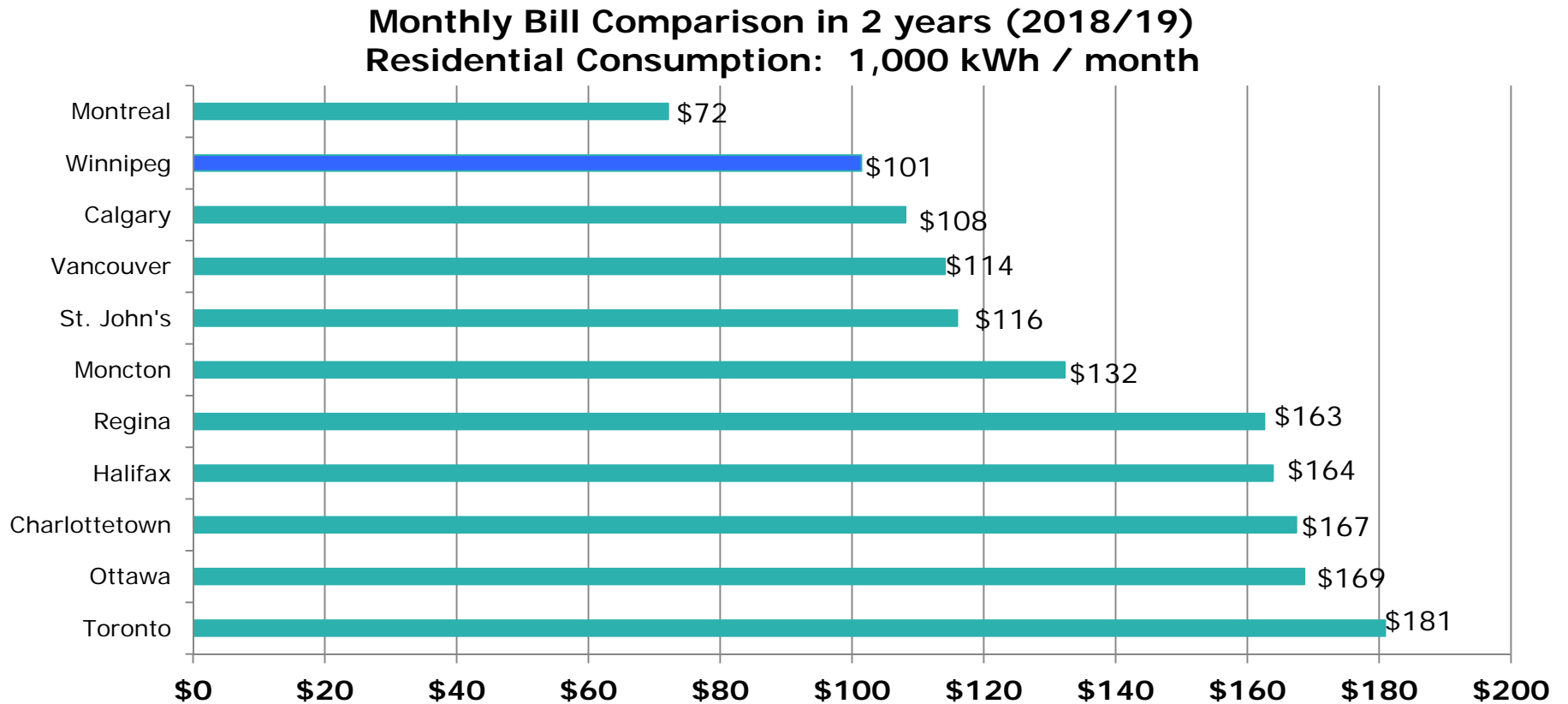
Utility Rate Changes

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Cumulative	Current Rate Index*
Manitoba Hydro	2.25%	5.00%	2.90%	2.80%	2.00%	4.40%	3.50%	2.75%	3.95%	3.36%	7.90%	49.1%	100
Hydro Quebec	1.90%	2.90%	1.20%	0.35%	-0.40%	-0.50%	2.41%	4.30%	2.90%	0.70%	0.70%	17.6%	106
BC Hydro	2.10%	0.83%	9.28%	7.29%	7.77%	7.07%	1.44%	9.00%	6.00%	4.00%	3.50%	75.7%	132
SaskPower	4.20%	0.00%	8.50%	4.50%	0.00%	0.00%	4.90%	5.50%	5.00%	5.00%	3.50%	49.2%	156
New Brunswick Power	5.90%	3.00%	3.00%	3.00%	0.00%	0.00%	2.00%	2.00%	1.60%	1.66%	1.77%	26.6%	162
Nova Scotia Power	3.80%	0.00%	9.30%	0.00%	6.05%	8.70%	3.00%	3.00%	0.00%	-1.00%	1.50%	39.4%	205

* This index is based on the Edison Electric Institute Survey and compares the average price per kWh for the various utilities. Manitoba Hydro's average price is \$0.0648/kWh in Canadian dollars based on 12 months data ending December 2016.

Residential Monthly Bill Comparison

In 2018/19 – Residential Consumption 1,000 kWh/month



Domestic Rate Strategy

Recent PUB Board Orders

- On [May 5, 2017](#), Manitoba Hydro filed its 2017/18 & 2018/19 General Rate Application with the PUB. In this filing, Manitoba Hydro is requesting approval of a 7.9% rate increase effective August 1, 2017 and a further 7.9% rate increase effective April 1, 2018.
- On [July 11, 2017](#), Manitoba Hydro filed an update to its financial forecast for electric operations as part of the 2017/18 & 2018/19 General Rate Application with the PUB.

Domestic Rate Strategy

Recent PUB Board Orders

- On [May 17, 2016](#), the PUB issued Order 68/16 approving a 3.36% electricity rate increase for all customer classes effective August 1, 2016; Manitoba Hydro had requested a 3.95% across-the-board rate increase.

Domestic Rate Strategy

Future Plans

- MH will continue to request domestic rate increases in support of the Finance goal in the [Corporate Strategic Plan](#) to “maintain a strong financial structure.”

Questions?

Manitoba Hydro Corporate Update

Presentation to DBRS
November 16, 2015

Agenda

- Corporate Profile
- Financial Results
- Capital Overview
- Power Sale Contracts
- Liquidity & Projected Financing
- Financial Targets
- Rates

Corporate Profile

- ❑ One of the largest integrated electricity and natural gas utilities in Canada.
- ❑ 562,000 electricity customers and 275,000 natural gas customers.
- ❑ \$18 billion total assets.
- ❑ \$2 billion annual revenues.
- ❑ 5,701 MW generating capability.
- ❑ Among the lowest electricity rates in North America.
- ❑ One of Canada's "Top 100" Employers.

Financial Results

Financial Results

For the Fiscal Years Ended March 31st (\$ are in millions)

	Actual 2014	Actual 2015	Forecast 2016	Forecast 2017
Revenues (net of cost of gas)	\$2,060	\$2,046	\$2,121	\$2,203
Expenses	(1,908)	(1,943)	(2,007)	(2,144)
Non-Controlling Interest	22	11	12	8
Net Income	\$174	\$114	\$126	\$67
Total Assets	\$15,639	\$17,594	\$19,100	\$22,030
Retained Earnings	\$2,716	\$2,830	\$2,901	\$2,968
Financial Ratios:				
Debt/ Equity	76:24	79:21	81:19	83:17
Interest Coverage	1.28	1.17	1.17	1.07

Financial Results - IFRS

For the 3 Months Ended June 30th (\$ are in millions)

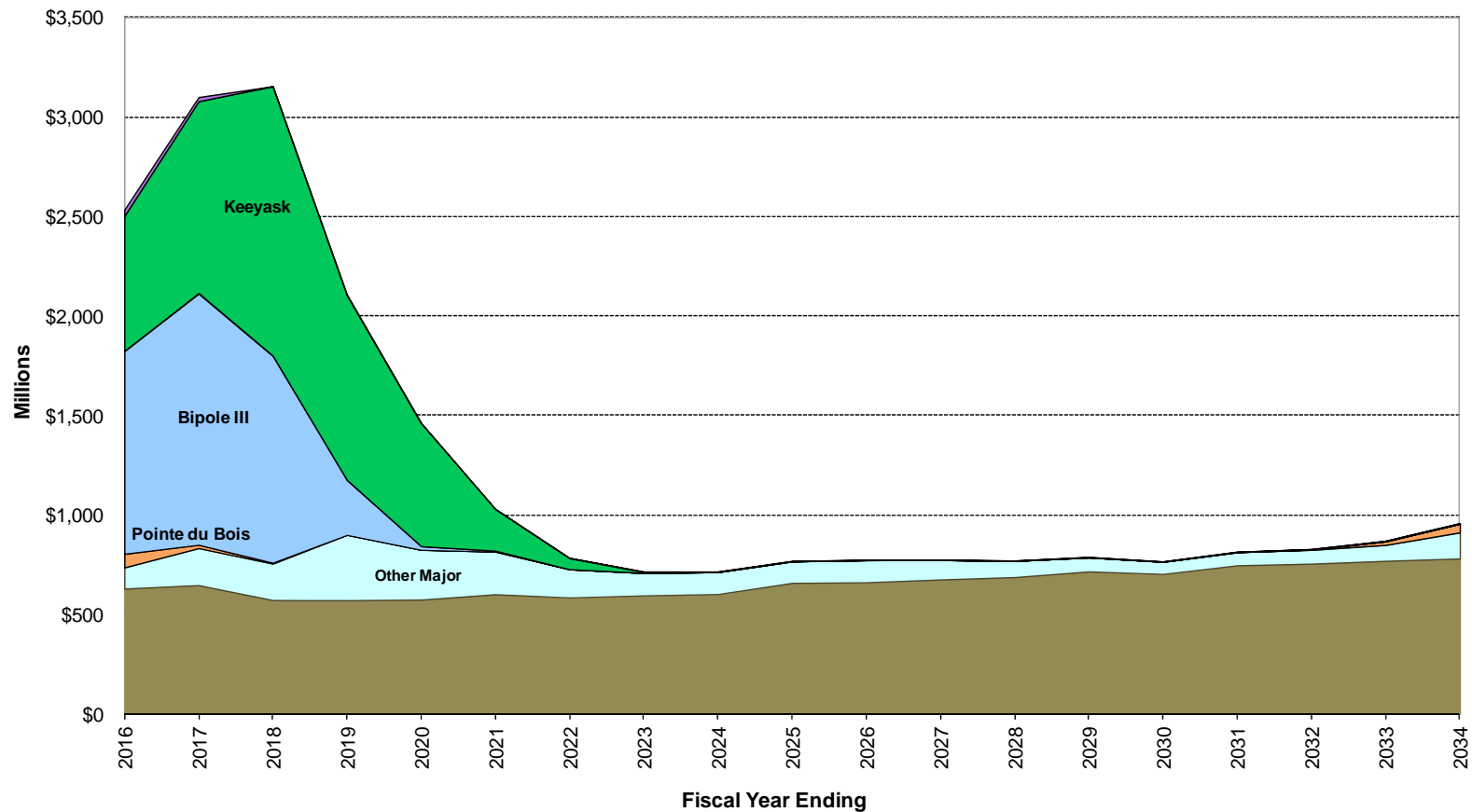
	3 Months June 2014	3 Months June 2015
Revenues	\$502	\$502
Expenses	(505)	(534)
Regulatory Deferral Movement	7	0
Non-Controlling Interest	6	3
Net Income	\$10	(\$29)
Total Assets	\$15,779	\$17,929
Retained Earnings	\$2,653	\$2,697

Capital Overview

Major Generation and Transmission Projects

- Bipole III (2018/19) \$4.65 billion
- 695 MW Keeyask G.S. (2019/20) \$6.50 billion

Capital Expenditures (CEF14)



Long-Term Export Contracts

Future Long-Term Export Contracts

- Minnesota Power
 - 250 MW System Participation Sale starting in 2020 (15 years)
 - 133 MW Energy Sale starting in 2020 (20 years)

- Northern States Power
 - 125 MW System Power Sale starting in 2021 (4 years)
 - 75 MW System Power Sale starting in 2016 (4 years)

- SaskPower
 - 25 MW System Power Sale starting in 2015 (7 years)
 - 100 MW System Power Sale starting in 2020 (20 years)

Future Long-Term Export Contracts

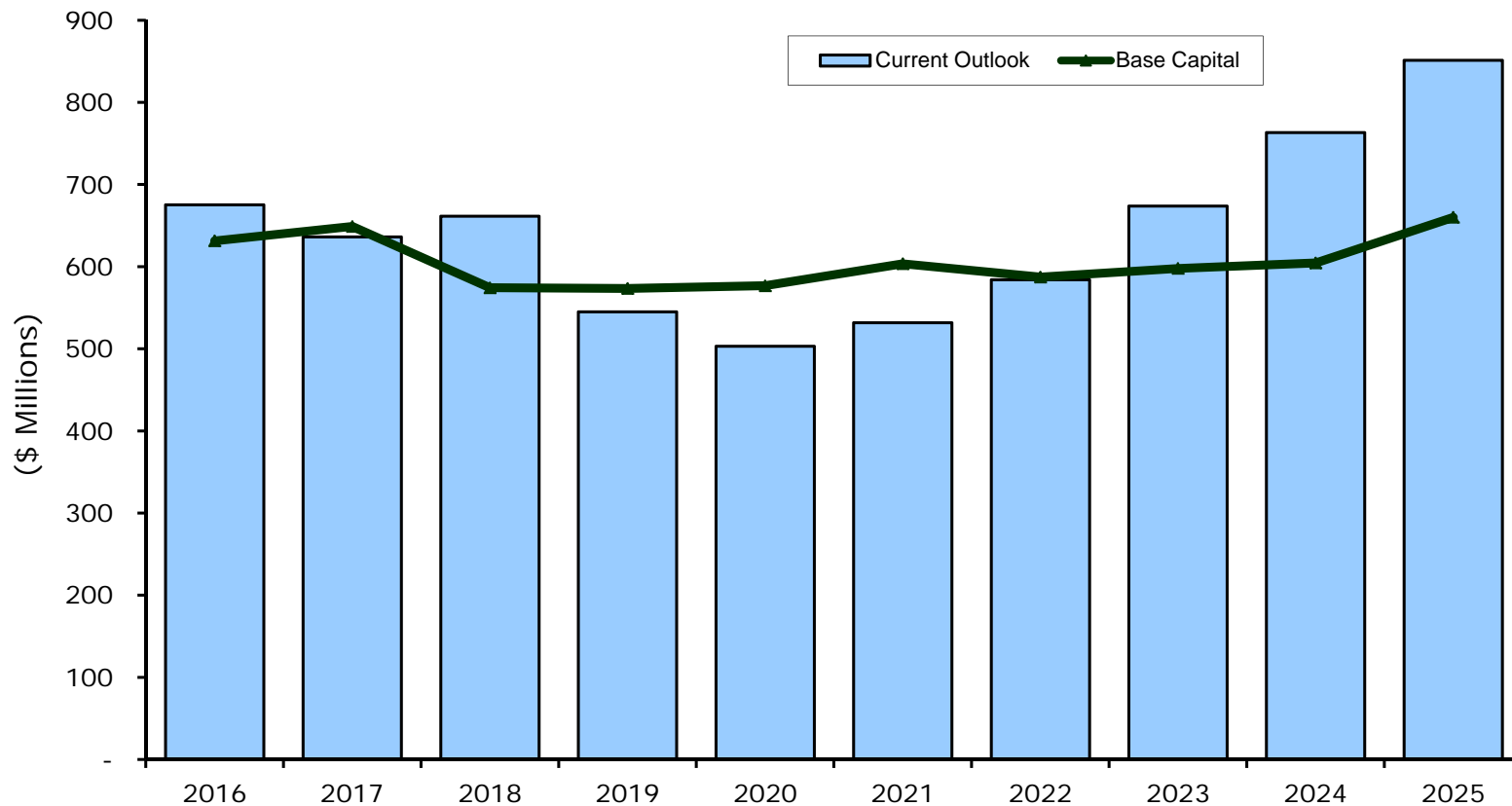
- Wisconsin Public Service
 - 108 MW System Power Sale starting in 2016 (5 years)
 - 100 MW System Power Sale starting in 2021 (4 years)
 - 100 MW Energy Sale starting in 2025 (4 years)
 - 308 MW System Power Sale dependent on Conawapa
 - 8 MW Energy Sale starting in 2023 (6 years)

- NextEra Energy
 - 100 MW Capacity Sale starting in 2016 (2 years)

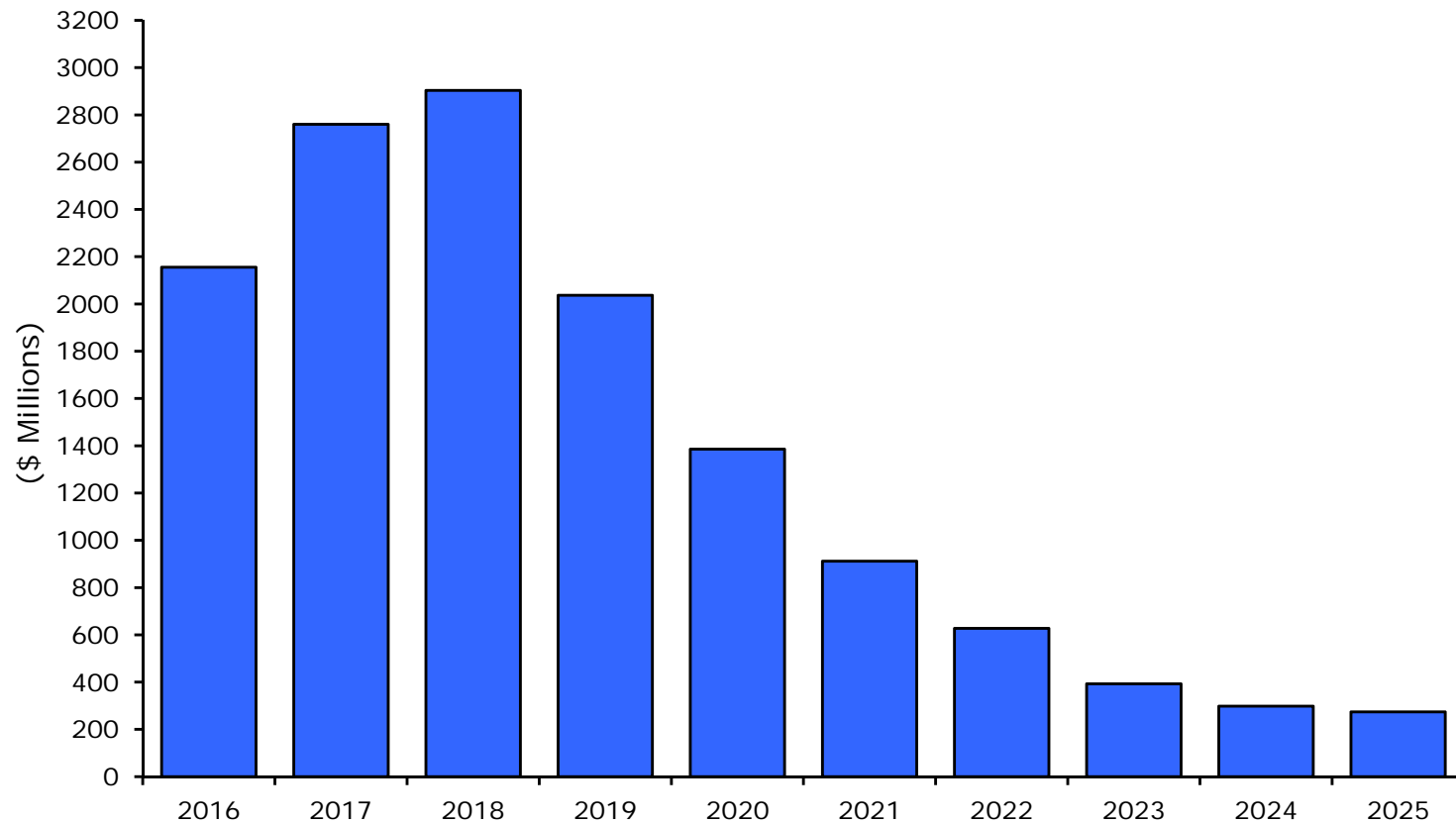
- American Electric Power Energy Partners
 - 79/50 MW Capacity Sale starting in 2016 (4 years)

Liquidity & Financing

Cash Flow from Operations (IFF14)

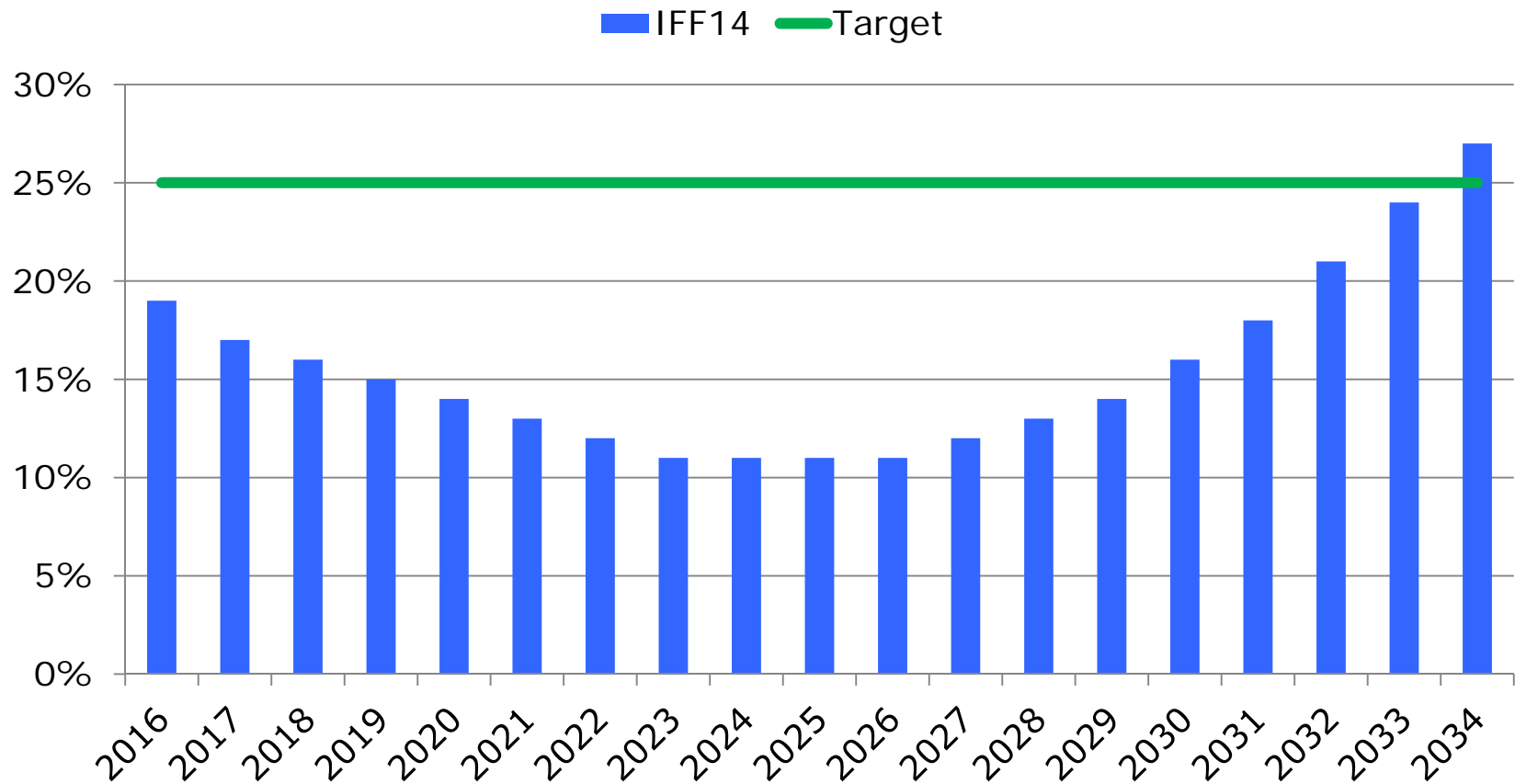


Forecasted New Debt Financing Requirements (IFF14)

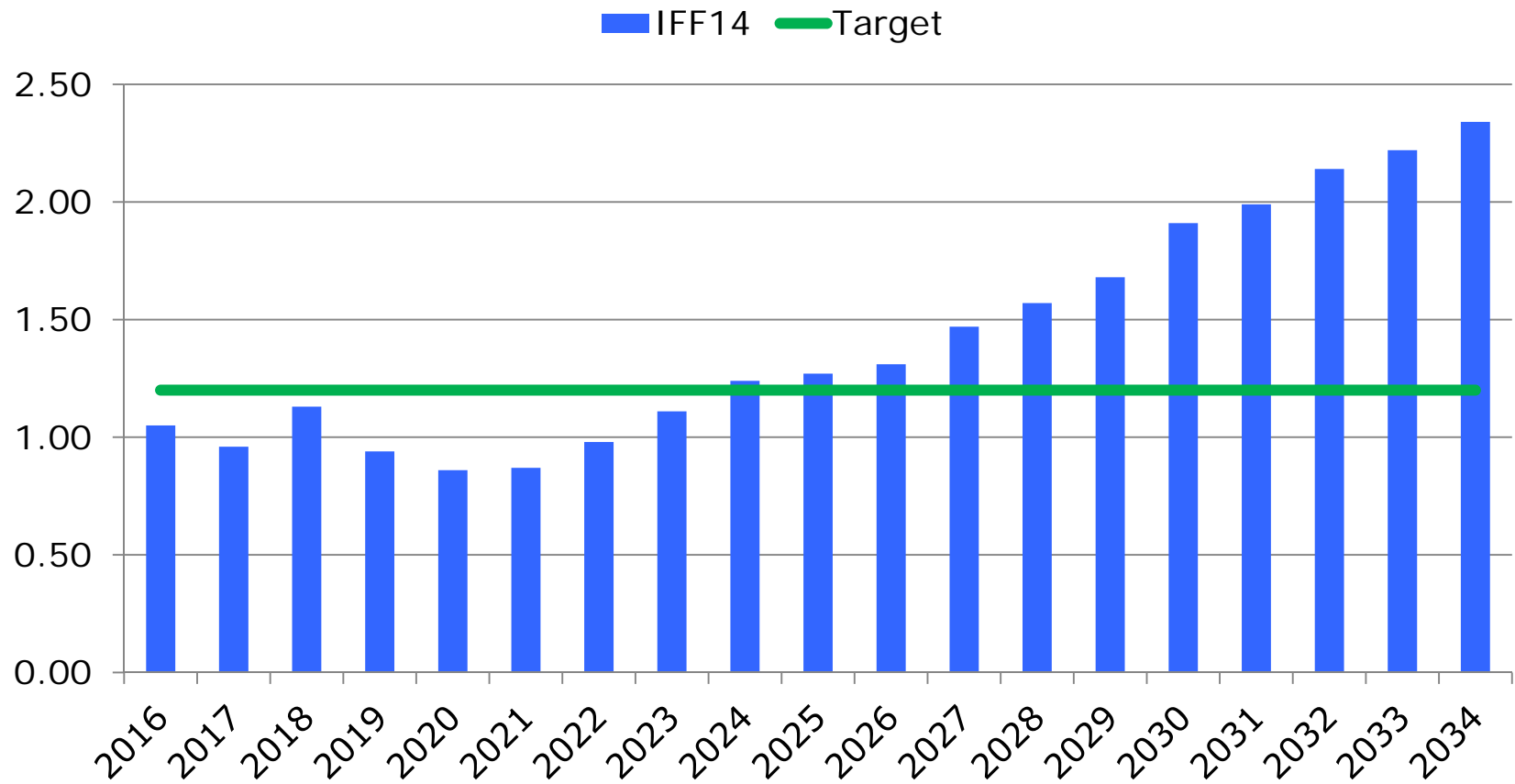


Financial Targets

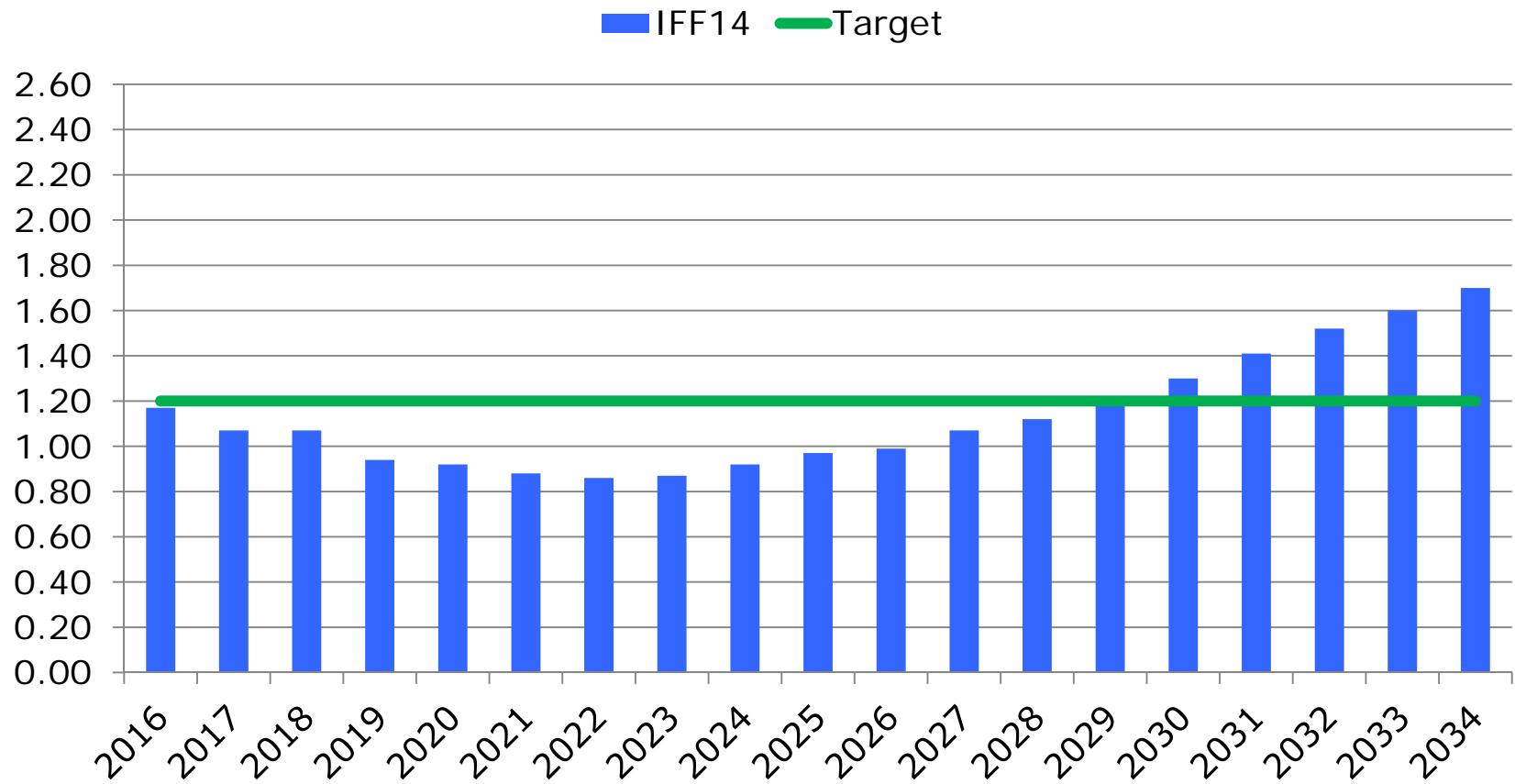
Equity Ratio



Capital Coverage Ratio



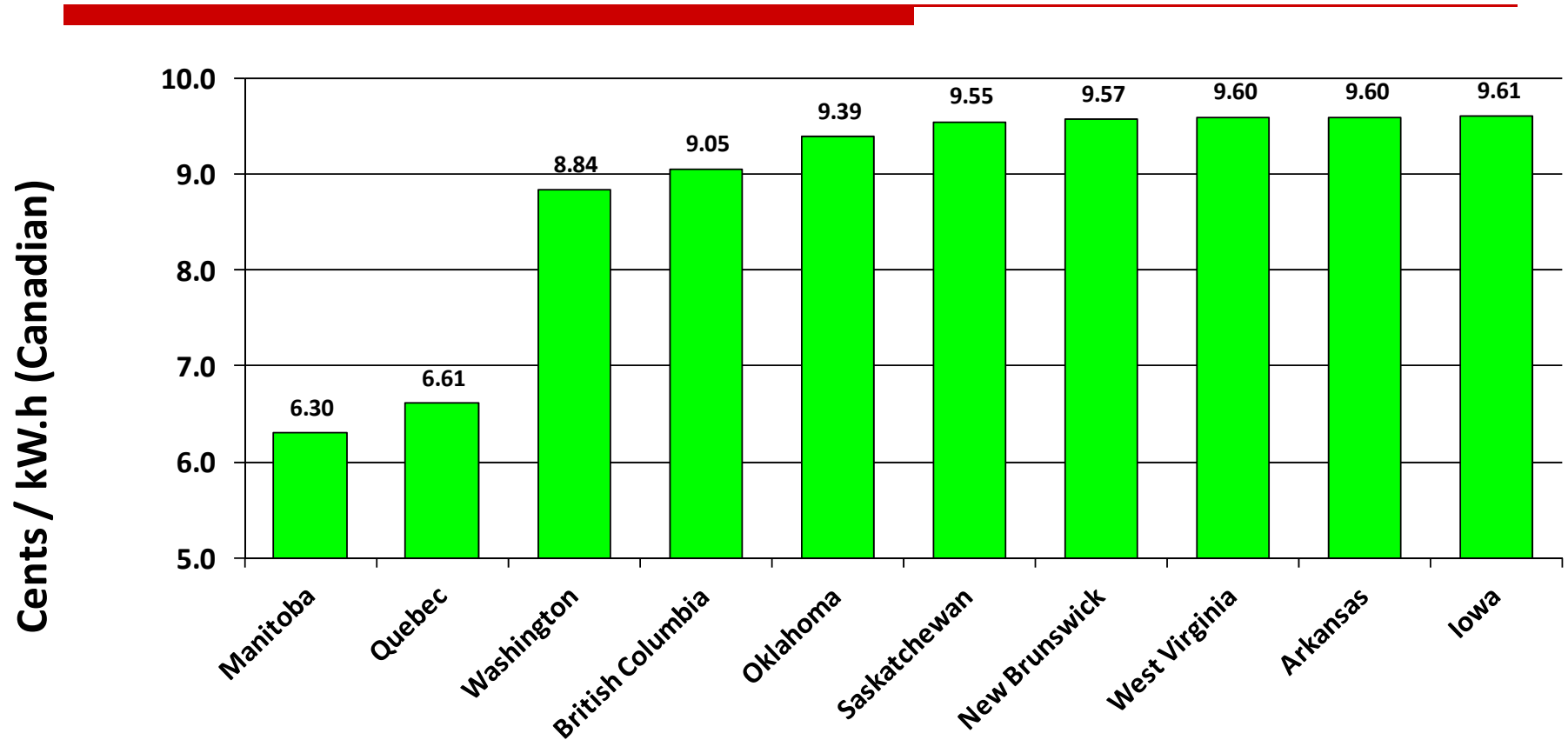
Interest Coverage Ratio



Rates

Average Retail Price of Electricity

Top 10 Provinces/ States in North America



Source: US Dept of Energy (December 2014) & Edison Electric Survey (January 2015)
(Exchange rate as of September 23, 2015: 1 US\$ = 1.3278 Cdn)

Utility Rate Changes

	2007	2008	2009	2010	2011	2012	2013	2014	2015	Cumulative	Current Rate Index*
Manitoba Hydro	2.25%	5.00%	2.90%	2.80%	2.00%	4.40%	3.50%	2.75%	3.95%	33.7%	100
Hydro Quebec	1.90%	2.90%	1.20%	0.35%	-0.40%	-0.50%	2.41%	4.30%	2.90%	16.0%	105
BC Hydro	2.10%	0.83%	9.28%	7.29%	7.77%	7.07%	1.44%	9.00%	6.00%	63.2%	144
SaskPower	4.20%	0.00%	8.50%	4.50%	0.00%	0.00%	4.90%	5.50%	3.00%	34.7%	152
NB Power	5.90%	3.00%	3.00%	3.00%	0.00%	0.00%	2.00%	2.00%	1.60%	22.3%	164
NS Power	3.80%	0.00%	9.30%	0.00%	6.05%	8.70%	3.00%	3.00%	0.00%	38.7%	212

* The Current Rate Index is based on the Edison Electric Institute's Survey and compares the average price per kWh (in Canadian \$) for the various utilities. Manitoba Hydro's average price is \$0.0630/kWh. The Survey is based on 12 months data ending December 2014.

Domestic Rate Strategy

Recent PUB Board Orders

- On [July 24, 2015](#) the PUB issued Orders 73/15 and 77/15 which approved a 3.95% across-the-board rate increase for all customer classes effective August 1, 2015
- On [January 16, 2015](#), Manitoba Hydro filed its 2015/16 & 2016/17 General Rate Application with the PUB, in which Manitoba Hydro requested approval, on an interim basis, of a 3.95% across-the-board rate increase effective April 1, 2015 and another effective April 1, 2016.

Domestic Rate Strategy

Future Plans

- MH will continue to request domestic rate increases in support of the Finance goal in the [Corporate Strategic Plan](#) to “maintain a strong financial structure.”

Questions?

Manitoba Hydro Corporate Update

Presentation to DBRS
August 22, 2016

Agenda

- Corporate Profile
- Financial Results
- Capital Overview
- Power Sale Contracts
- Liquidity & Projected Financing
- Financial Targets
- Rates

Corporate Profile

- ❑ One of the largest integrated electricity and natural gas utilities in Canada.
- ❑ 568,000 electricity customers and 277,000 natural gas customers.
- ❑ \$20 billion total assets.
- ❑ \$2 billion annual revenues.
- ❑ 5,680 MW generating capability.
- ❑ Among the lowest electricity rates in North America.
- ❑ One of Canada's "Top 100" Employers.

Financial Results

Financial Results - IFRS

For the Fiscal Years Ended March 31st (\$ are in millions)

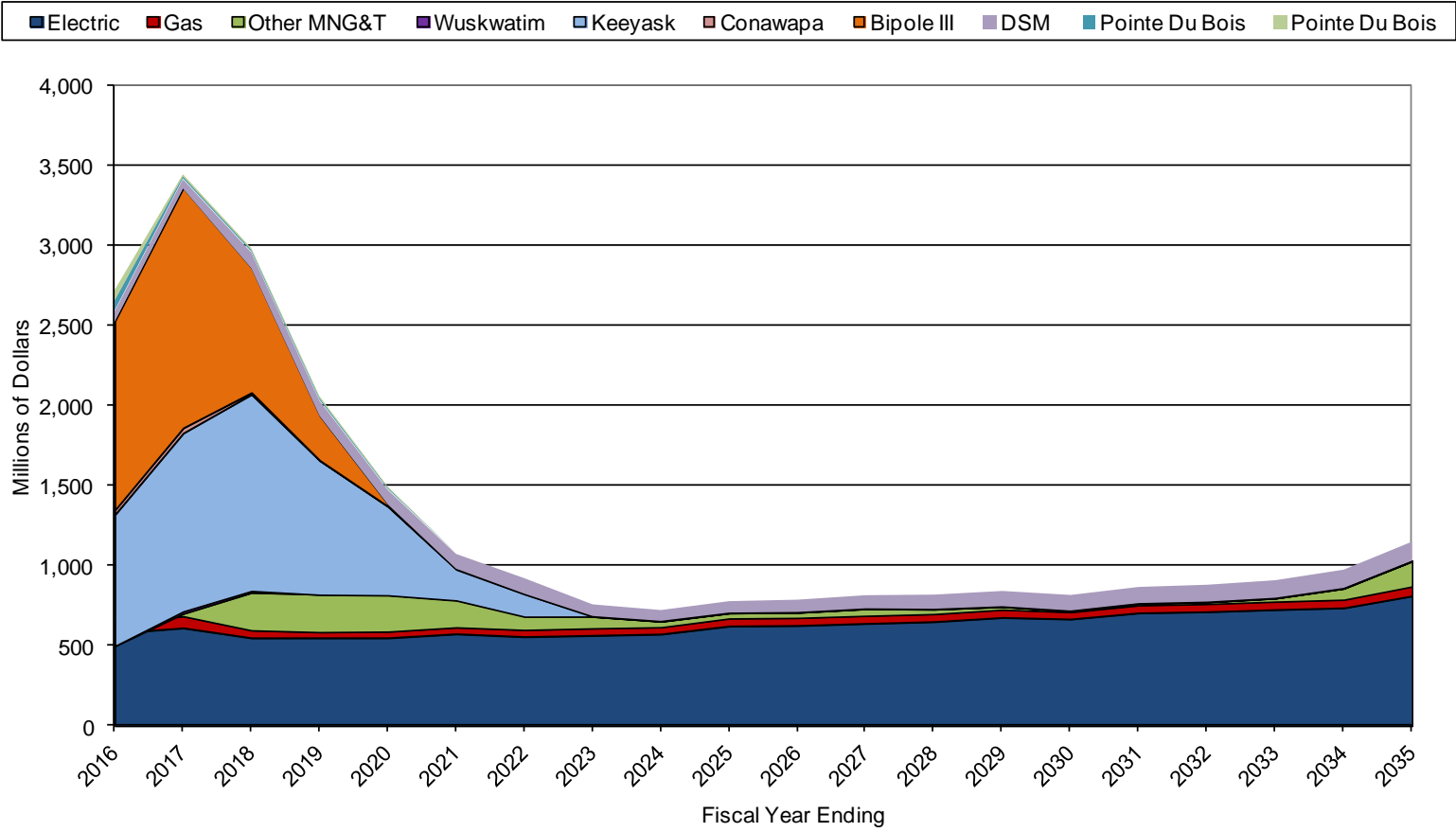
	Actual 2015	Actual 2016	Forecast 2017	Forecast 2018
Revenues	\$2,316	\$2,258	\$2,436	\$2,511
Expenses	(2,229)	(2,266)	(2,403)	(2,441)
Net Movement in Regulatory Balances	38	47	0	0
Non-Controlling Interest	11	10	9	4
Net Income	\$136	\$49	\$42	\$74
Total Assets and Regulatory Deferral Balance	\$17,567	\$19,780	\$23,360	\$26,286
Retained Earnings	\$2,779	\$2,828	\$2,793	\$2,867
Financial Ratios:				
Debt/ Equity	82:18	83:17	86:14	85:15
EBITDA Interest Coverage	1.73	1.55	1.55	1.55

Capital Overview

Major Generation and Transmission Projects

- Bipole III (2018/19) \$4.65 billion
- 695 MW Keeyask G.S. (2019/20) \$6.50 billion

Capital Expenditures (CEF15)



Long-Term Export Contracts

Future Long-Term Export Contracts

- Minnesota Municipal Power Agency
 - 60 MW Energy Sale starting in 2017 (5 years)

- Minnesota Power
 - 250 MW System Participation Sale starting in 2020 (15 years)
 - 133 MW Energy Sale starting in 2020 (20 years)
 - 50 MW Capacity Sale starting in 2018 (2 years)

- Northern States Power
 - 125 MW System Power Sale starting in 2021 (4 years)

Future Long-Term Export Contracts

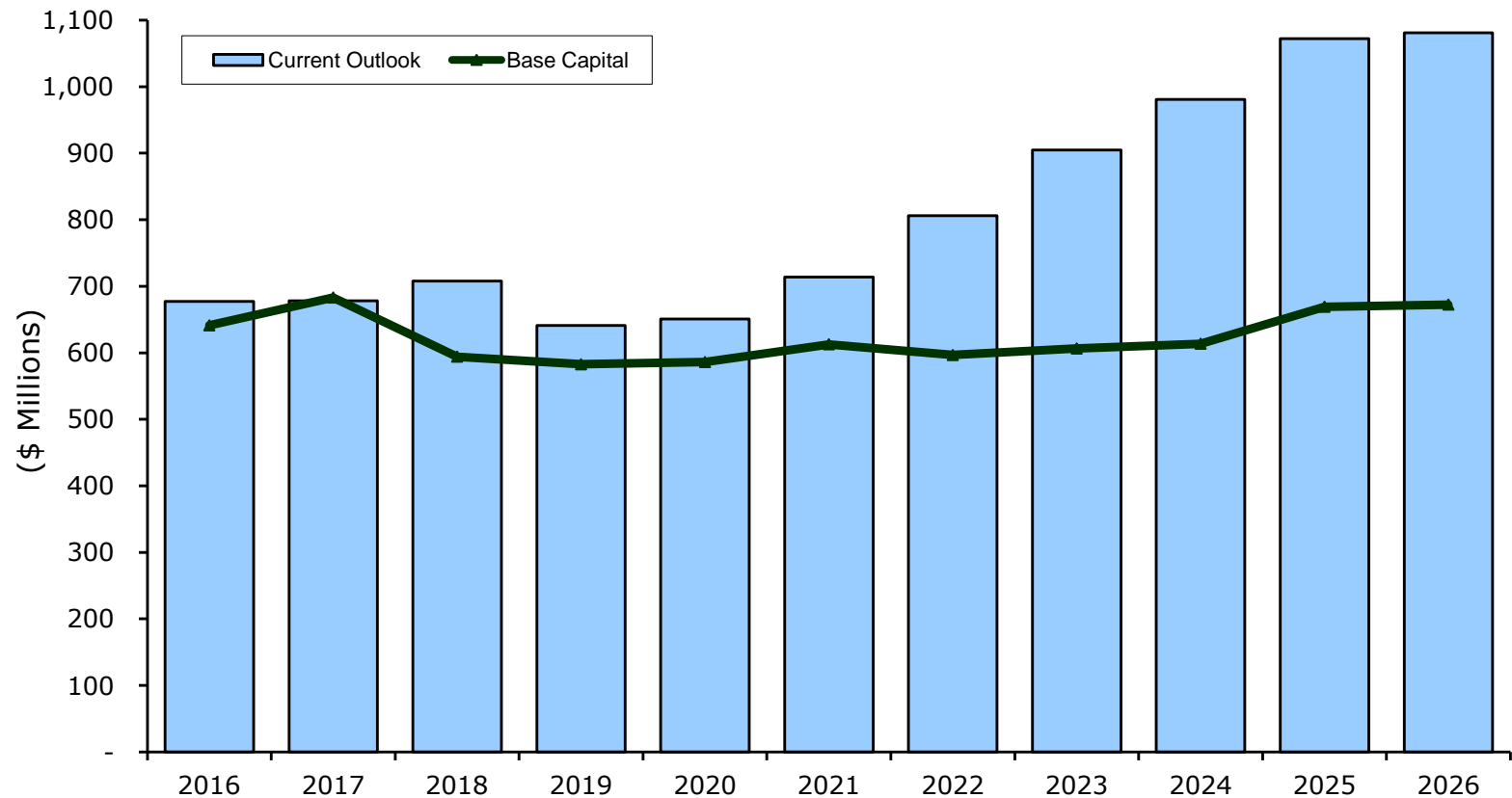
- SaskPower
 - 100 MW System Power Sale starting in 2020 (20 years)

- Wisconsin Public Service
 - 100 MW System Power Sale starting in 2021 (4 years)
 - (with an option to extend to 2027)
 - 100 MW Energy Sale starting in 2025 (4 years)
 - 308 MW System Power Sale TBD (Ending in 2036)
 - 8 MW Energy Sale starting in 2023 (6 years)

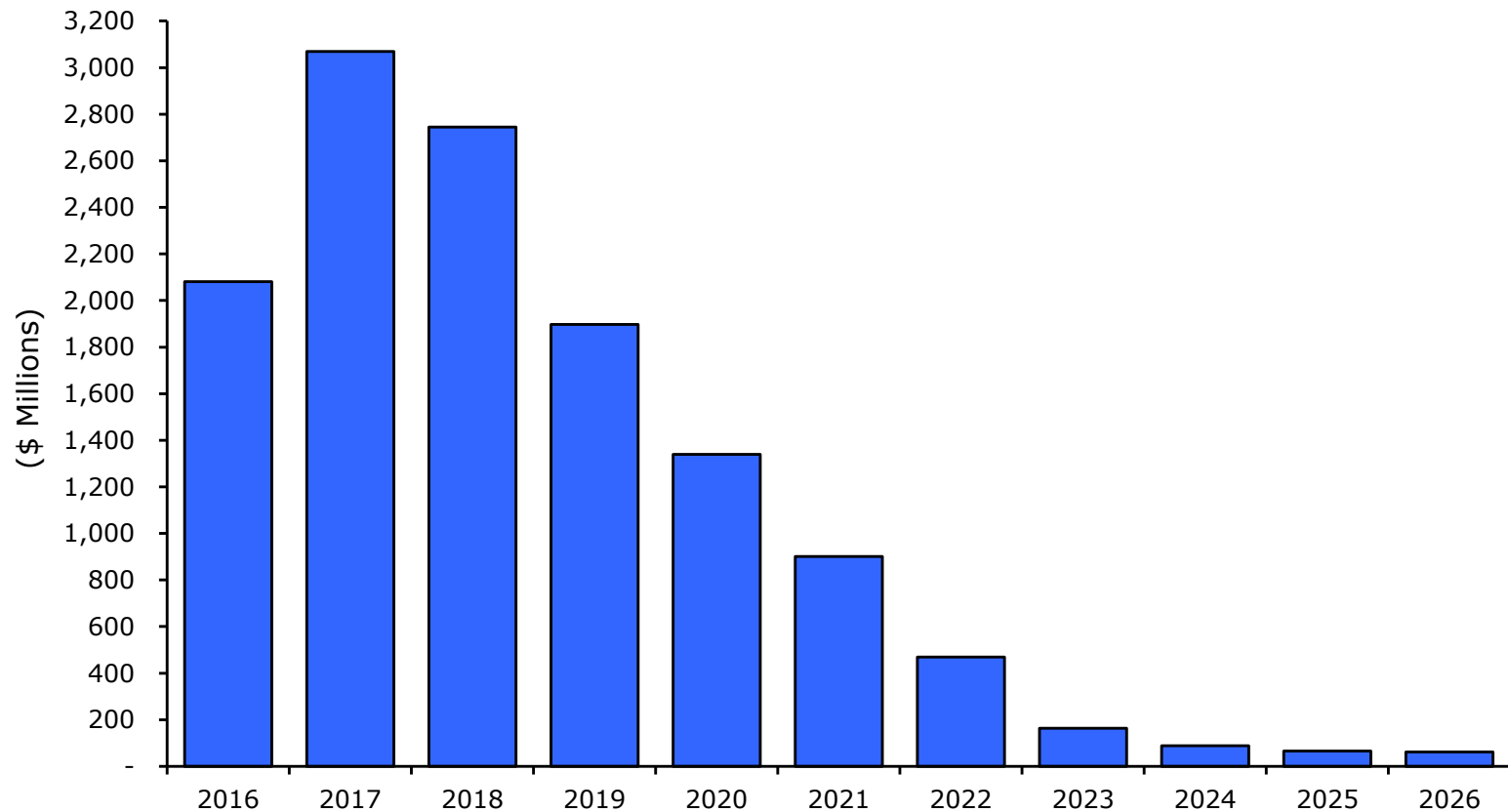
- Basin Electric Power
 - 50 MW Capacity Sale starting in 2018 (2 years)

Liquidity & Financing

Cash Flow from Operations (IFF15)

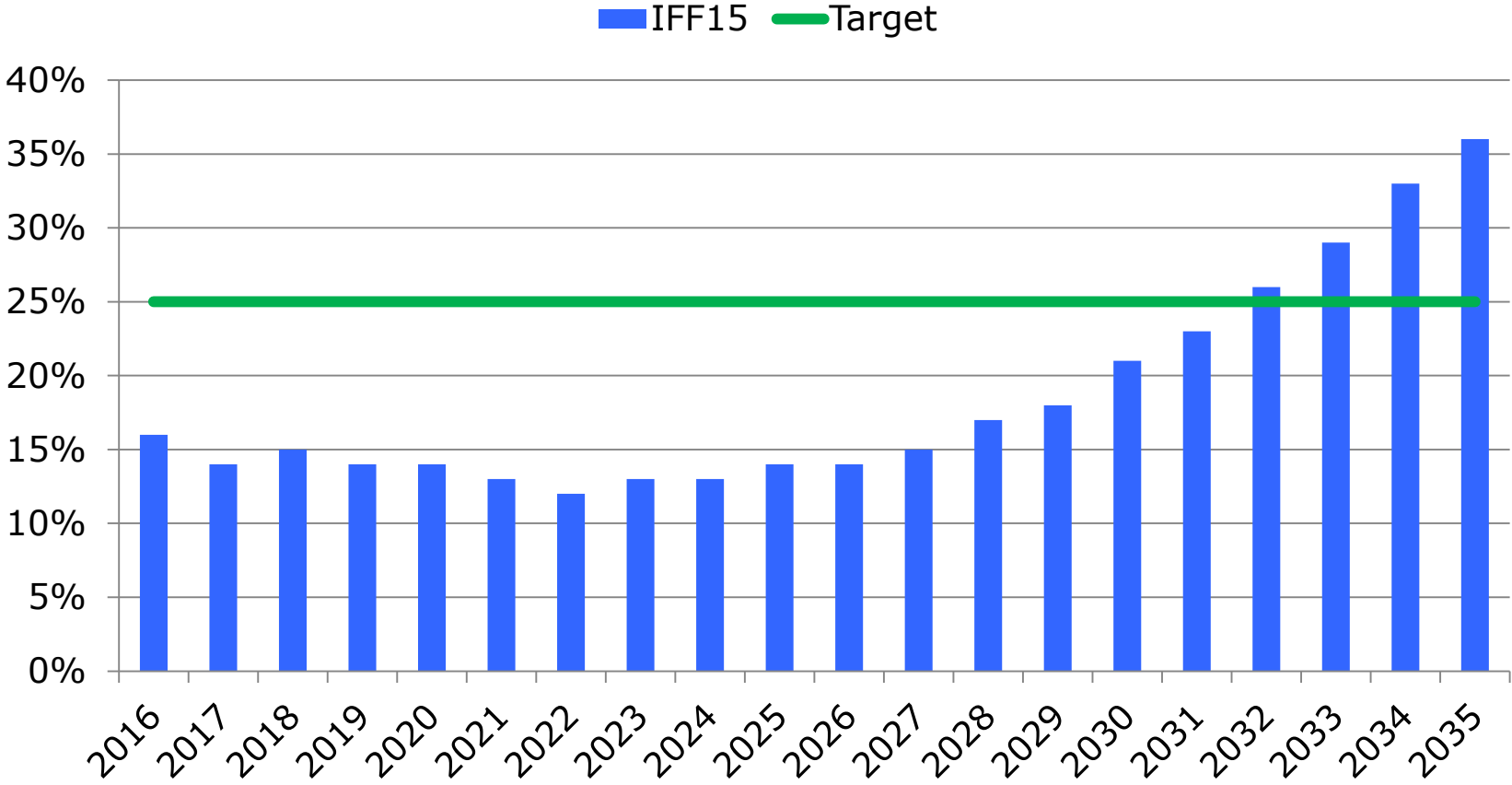


Forecasted New Debt Financing Requirements (IFF15)

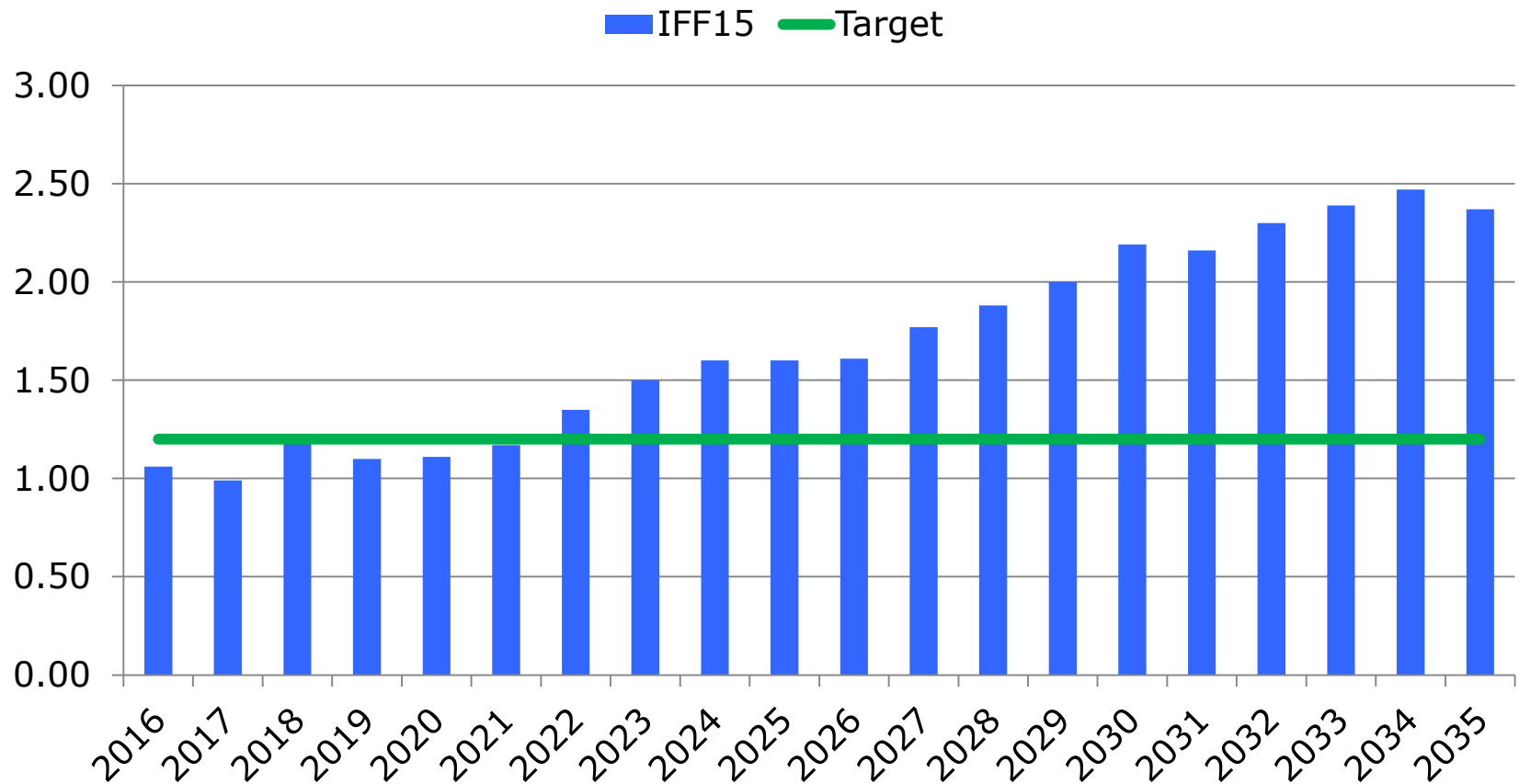


Financial Targets

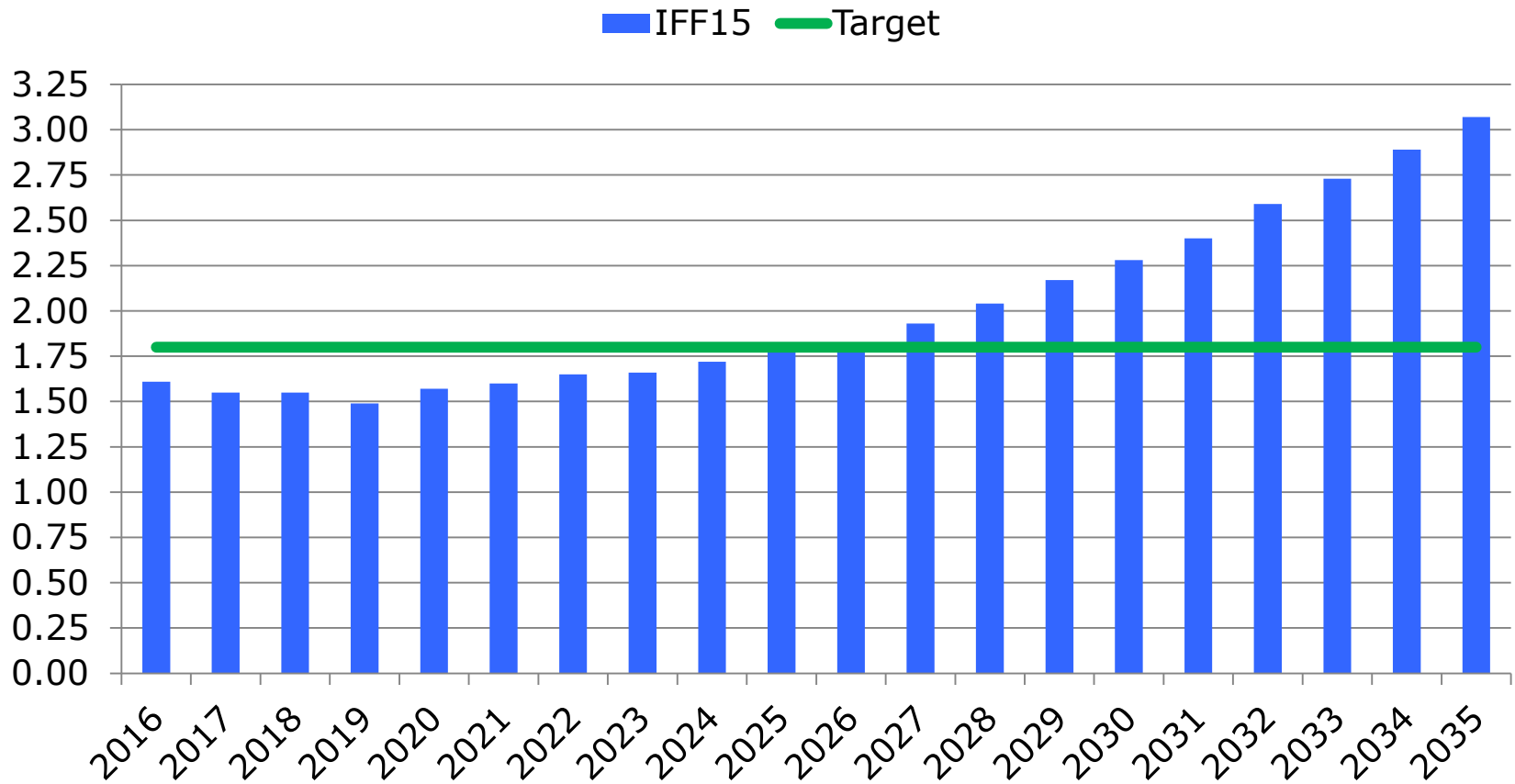
Equity Ratio



Capital Coverage Ratio



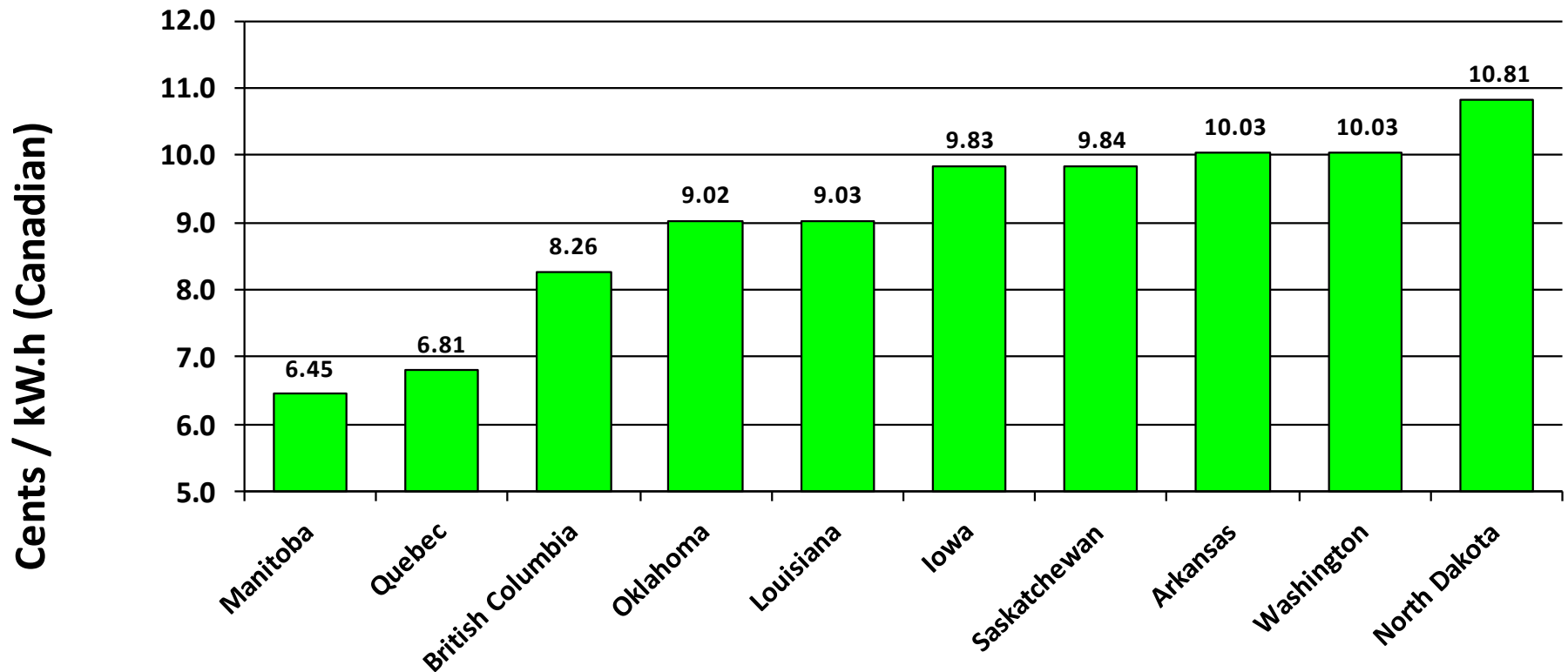
Interest Coverage Ratio



Rates

Average Retail Price of Electricity

Top 10 Provinces/ States in North America



Source: US Dept of Energy (December 2015) & Edison Electric Survey (January 2016)
(Exchange rate as of May 4, 2016: 1 US\$ = 1.2870 Cdn)

Utility Rate Changes

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Cumulative	Current Rate Index*
Manitoba Hydro	2.25%	5.00%	2.90%	2.80%	2.00%	4.40%	3.50%	2.75%	3.95%	3.36%	38.2%	100
Hydro Quebec	1.90%	2.90%	1.20%	0.35%	-0.40%	-0.50%	2.41%	4.30%	2.90%	0.70%	16.8%	106
BC Hydro	2.10%	0.83%	9.28%	7.29%	7.77%	7.07%	1.44%	9.00%	6.00%	4.00%	69.8%	129
SaskPower	4.20%	0.00%	8.50%	4.50%	0.00%	0.00%	4.90%	5.50%	5.00%	5.00% (proposed)	44.2%	152
New Brunswick Power	5.90%	3.00%	3.00%	3.00%	0.00%	0.00%	2.00%	2.00%	1.60%	2.00% (proposed)	24.8%	159
Nova Scotia Power	3.80%	0.00%	9.30%	0.00%	6.05%	8.70%	3.00%	3.00%	0.00%	-1.00%	37.4%	207

* This index is based on the Edison Electric Institute Survey and compares the average price per kWh for the various utilities. Manitoba Hydro's average price is \$0.0645/kWh in Canadian dollars. The Survey is based on 12 months data ending December 2015. SaskPower average price/kWh is based on their 2015 annual report.

Domestic Rate Strategy

Recent PUB Board Orders

- On [July 24, 2015](#), the PUB issued Orders 73/15 and 77/15 with respect to Manitoba Hydro's 2015/16 & 2016/17 General Rate Application approving a 3.95% across-the-board rate increase for all customer classes effective August 1, 2015.
- On [April 28, 2016](#), the PUB issued Order 59/16 with respect to Manitoba Hydro's Supplemental Filing for Interim Electric Rates effective April 1, 2016 approving a 3.36% interim increase; Manitoba Hydro had requested a 3.95% across-the-board rate increase.

Domestic Rate Strategy

Future Plans

- MH will continue to request domestic rate increases in support of the Finance goal in the [Corporate Strategic Plan](#) to “maintain a strong financial structure.”

Questions?

Manitoba Hydro Corporate Update

Presentation to DBRS
June 8, 2017

Agenda

- Corporate Profile
- Financial Results
- Capital Overview
- Power Sale Contracts
- Liquidity & Projected Financing
- Financial Targets
- Rates

Corporate Profile

- ❑ One of the largest integrated electricity and natural gas utilities in Canada.
- ❑ 573,000 electricity customers and 279,000 natural gas customers.
- ❑ \$22 billion total assets.
- ❑ \$2 billion annual revenues.
- ❑ 5,680 MW generating capability.
- ❑ Among the lowest electricity rates in North America.
- ❑ One of Canada's "Top 100" Employers.

Financial Results

Financial Results - IFRS

For the Fiscal Years Ended March 31st (\$ are in millions)

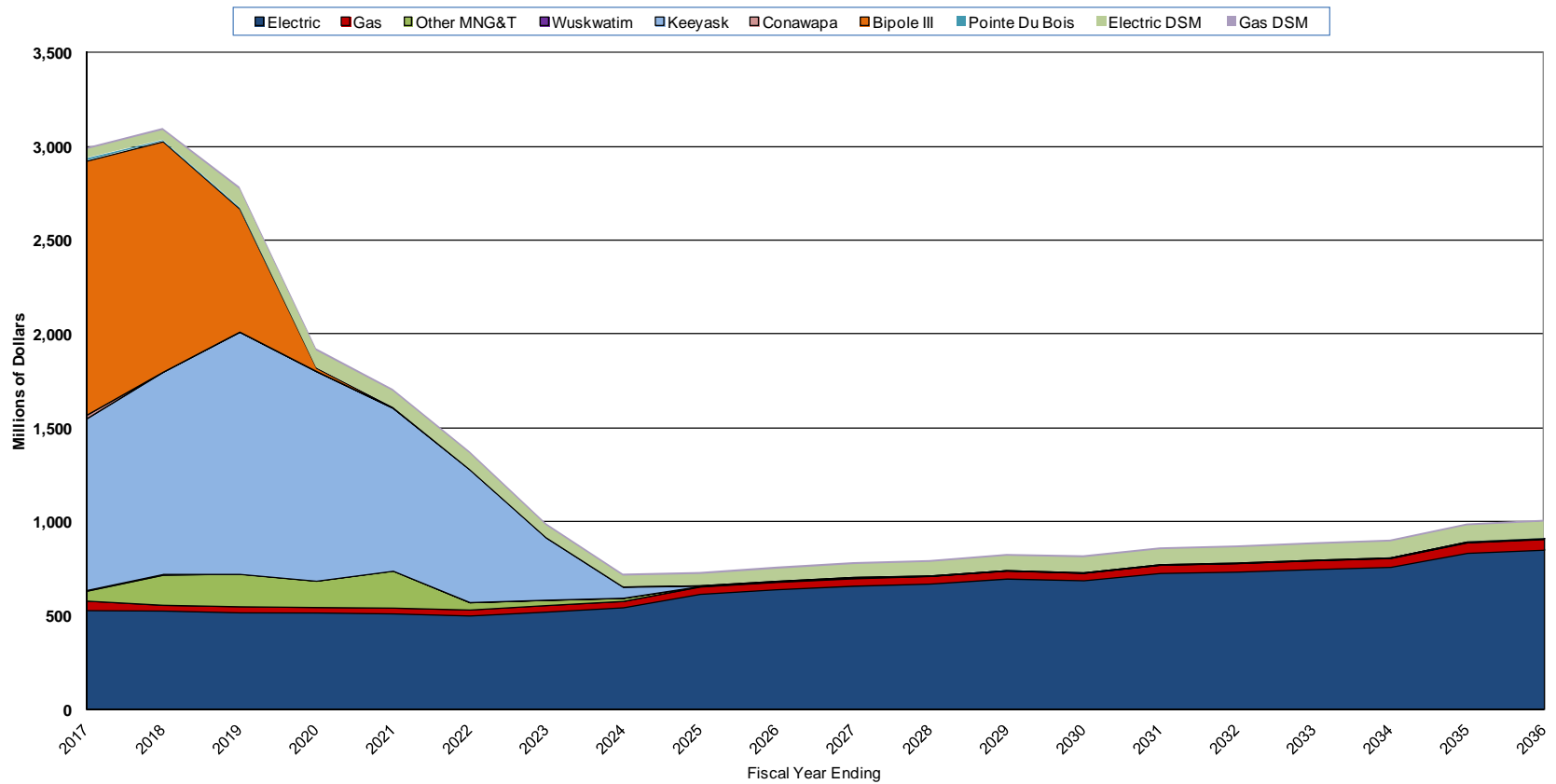
	2016	Preliminary 2017	Forecast 2018	Forecast 2019
Revenues	\$2,258	\$2,330	\$2,442	\$2,736
Expenses	(2,266)	(2,323)	(2,417)	(2,585)
Net Movement in Regulatory Balances	47	55	88	100
Non-Controlling Interest	10	12	9	1
Net Income	\$49	\$74	\$122	\$252
Total Assets and Regulatory Deferral Balance	\$19,780	\$22,341	\$25,424	\$28,390
Retained Earnings	\$2,828	\$2,902	\$2,993	\$3,245
Financial Ratios:				
Debt/ Equity	83:17	84:16	85:15	85:15
EBITDA Interest Coverage	1.55	1.51	1.60	1.79

Capital Overview

Major Generation and Transmission Projects

- Bipole III (2018/19) \$5.04 billion
- 695 MW Keeyask G.S. (2021/22) \$8.70 billion

Capital Expenditures (CEF16)



Long-Term Export Contracts

Future Long-Term Export Contracts

- Minnesota Power
 - 250 MW System Participation Sale starting in 2020 (15 years)
 - 133 MW Energy Sale starting in 2020 (20 years)

- Northern States Power
 - 125 MW System Power Sale starting in 2021 (4 years)

Future Long-Term Export Contracts

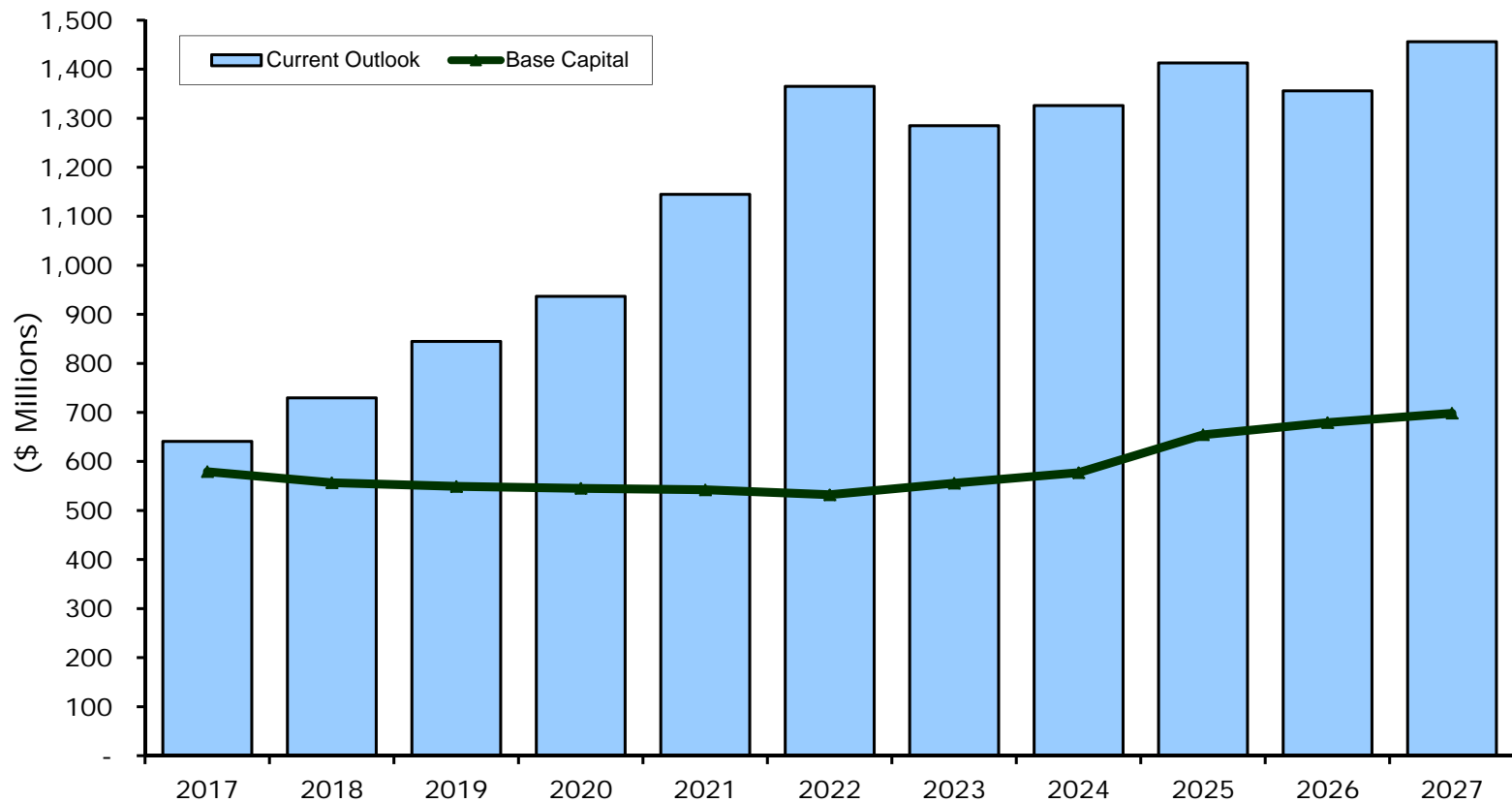
- SaskPower
 - 100 MW System Power Sale starting in 2020 (20 years)

- Wisconsin Public Service
 - 100 MW System Power Sale starting in 2021 (4 years)
 - 100 MW Energy Sale starting in 2025 (4 years)
 - 308 MW System Power Sale TBD (Ending in 2036)
 - 8 MW Energy Sale starting in 2023 or 2021 (6 years)

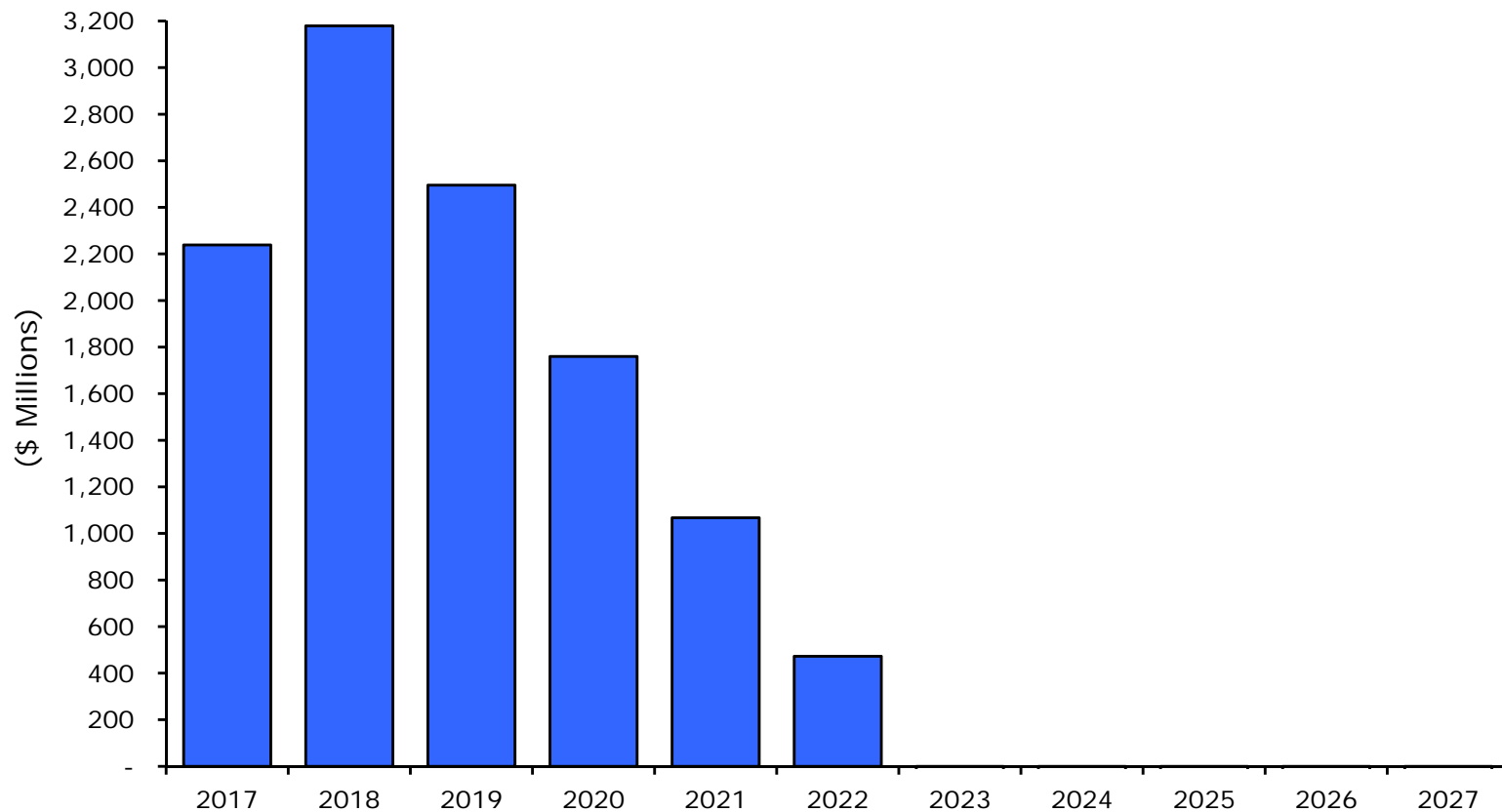
- Basin Electric Power
 - 50 MW Capacity Sale starting in 2018 (2 years)
 - 50 MW Capacity Sale starting in 2020 (1 year)

Liquidity & Financing

Cash Flow from Operations (IFF16)

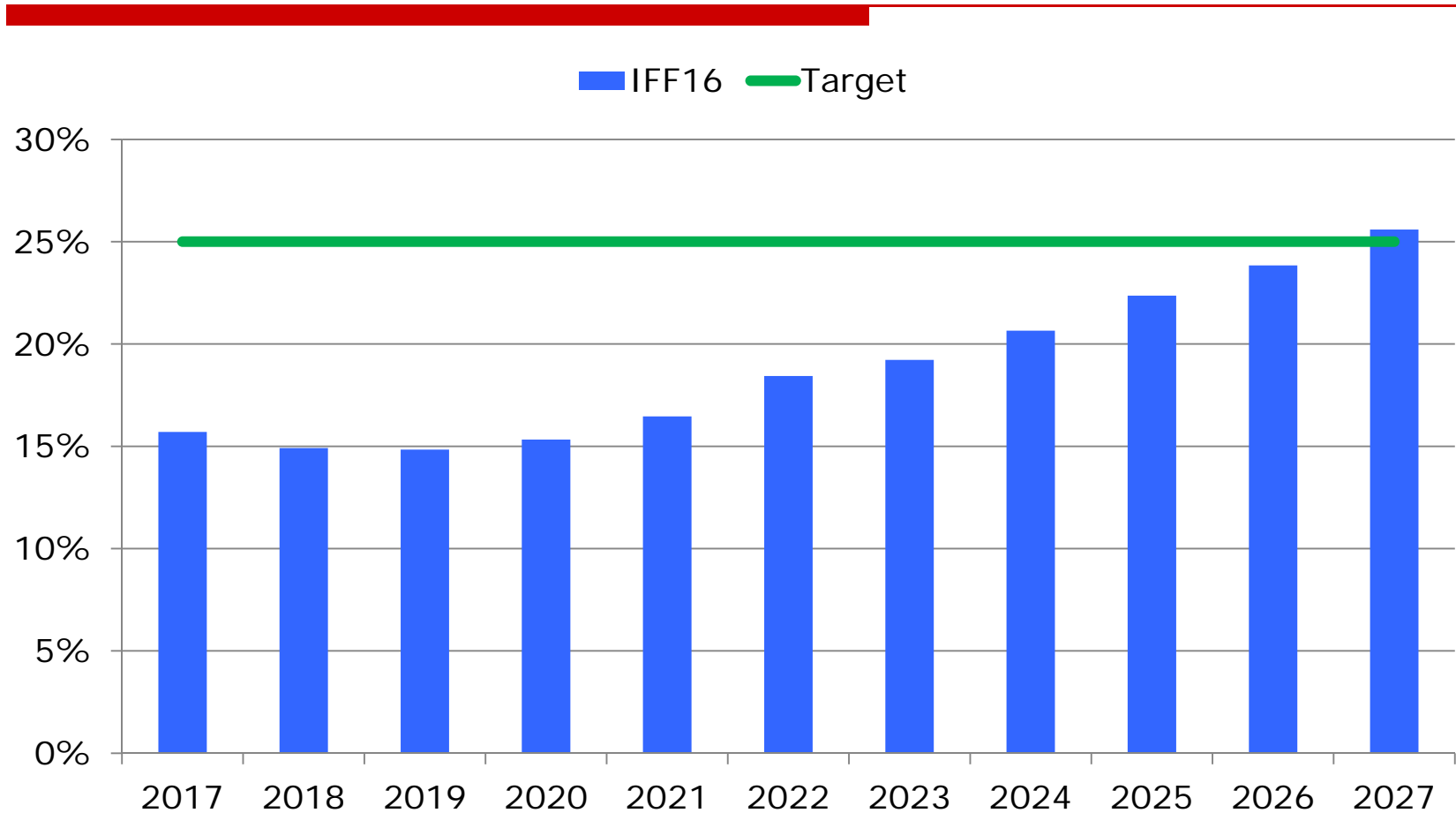


Forecasted New Debt Financing Requirements (IFF16)

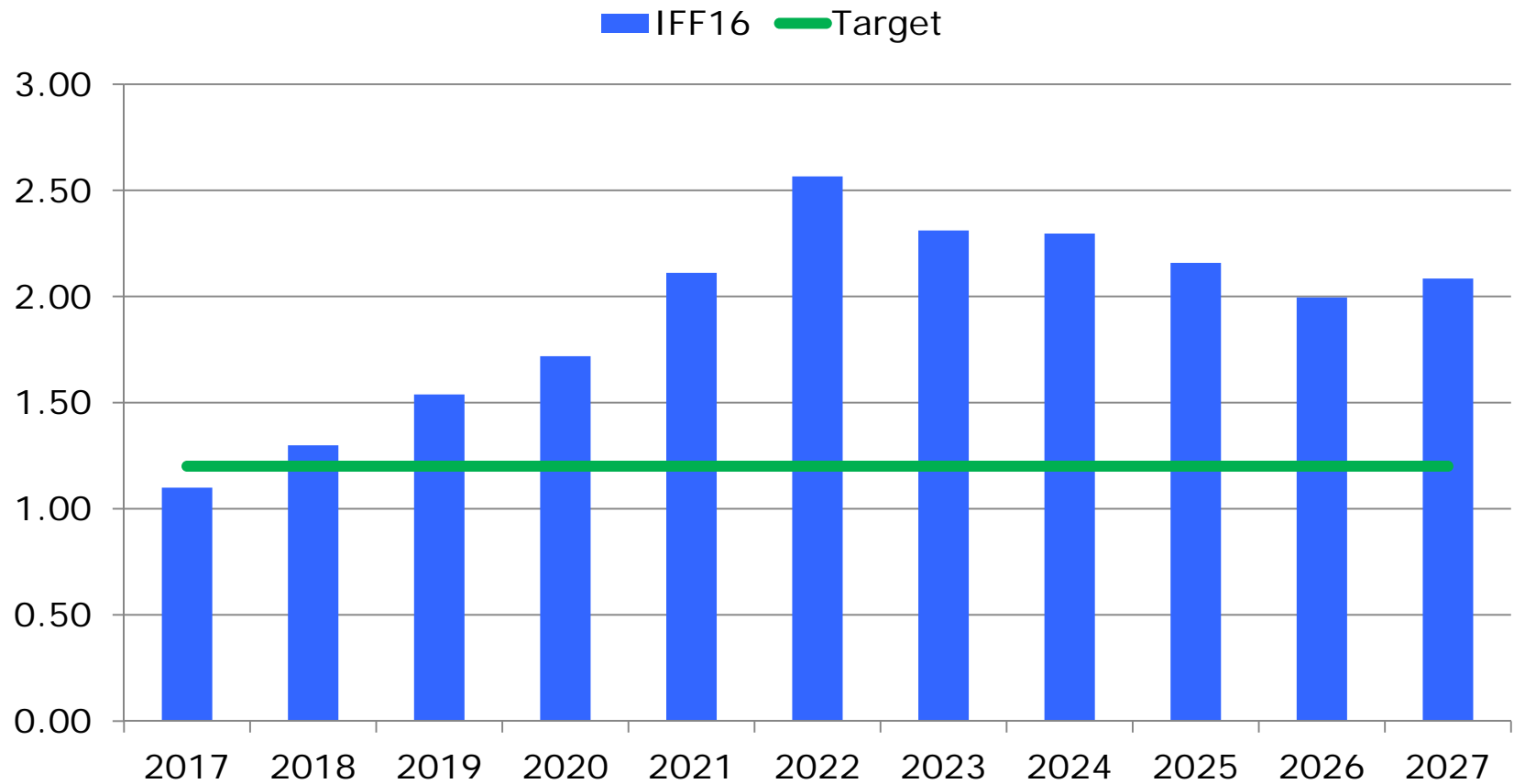


Financial Targets

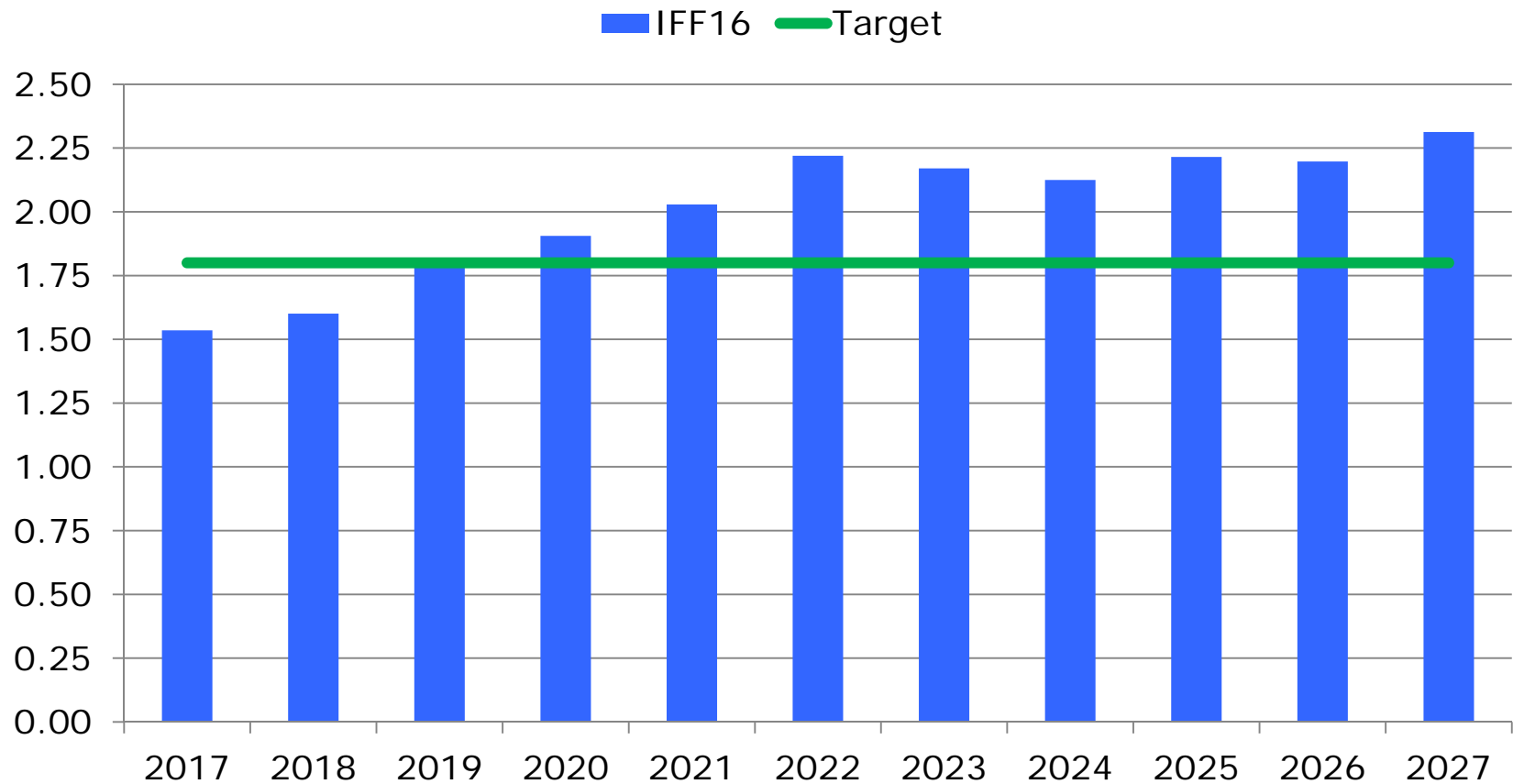
Equity Ratio



Capital Coverage Ratio



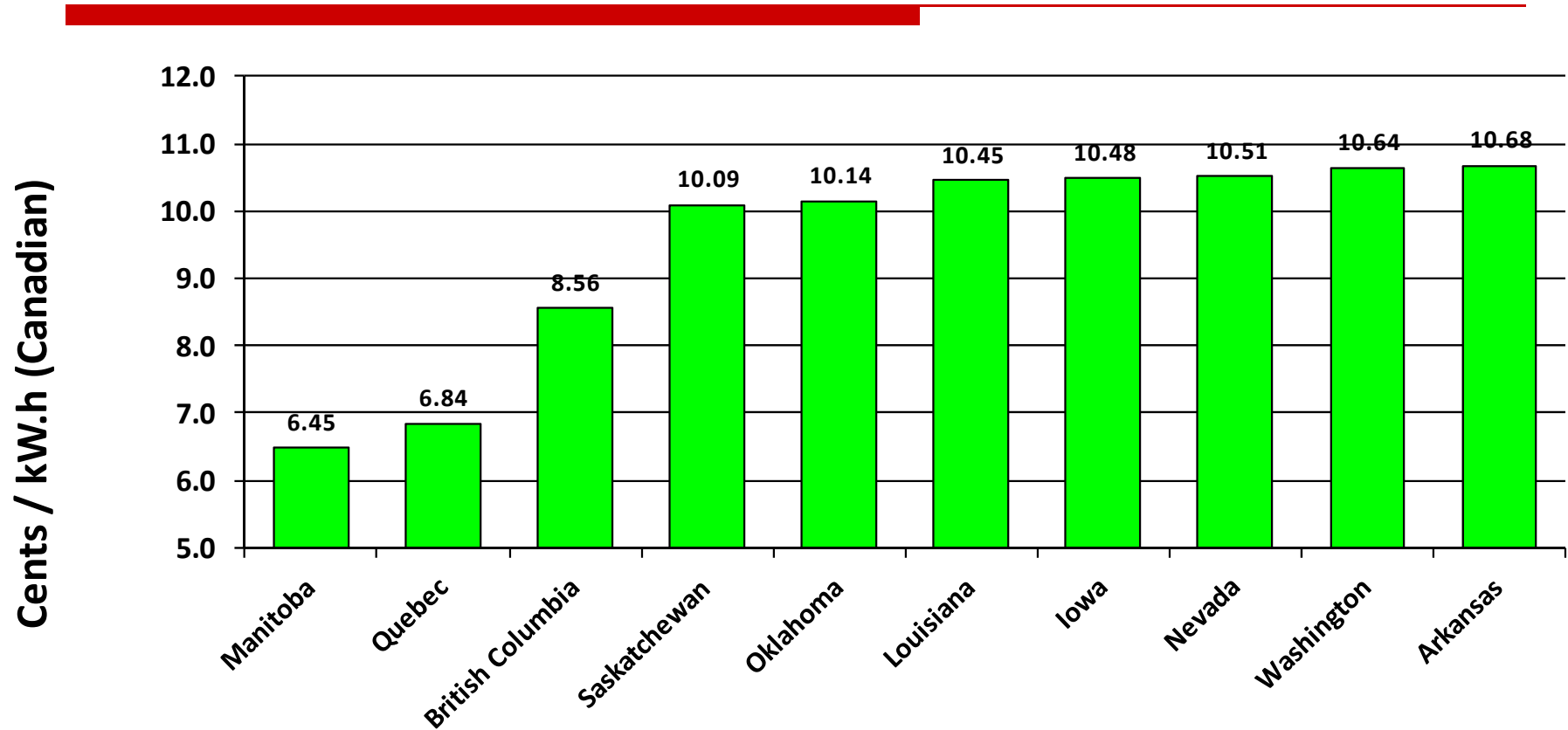
EBITDA Interest Coverage Ratio



Rates

Average Retail Price of Electricity

Top 10 Provinces/ States in North America



Source: US Dept of Energy (December 2016) & Edison Electric Survey (January 2017)
(Exchange rate as of April 26 ,2017: 1 US\$ = 1.3592 Cdn)

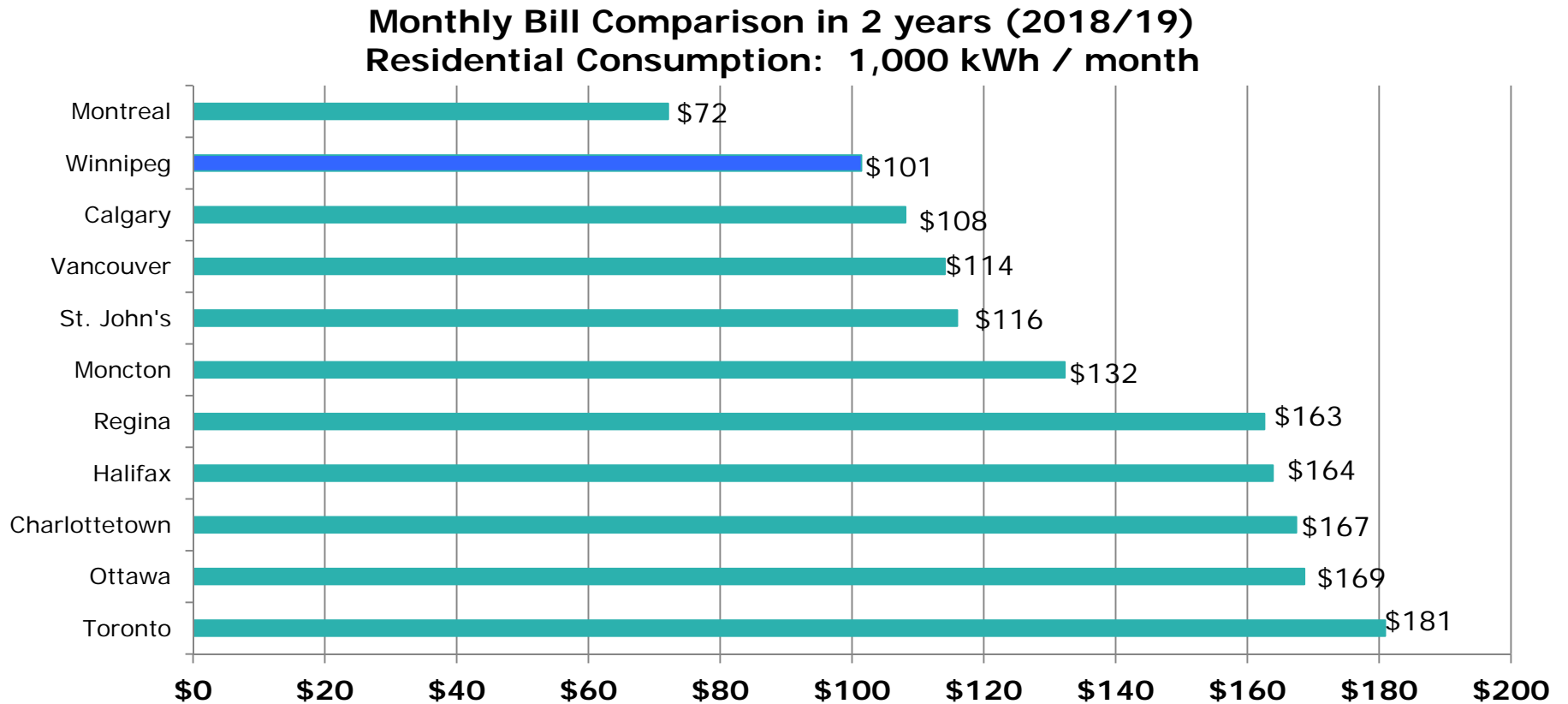
Utility Rate Changes

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Cumulative	Current Rate Index*
Manitoba Hydro	2.25%	5.00%	2.90%	2.80%	2.00%	4.40%	3.50%	2.75%	3.95%	3.36%	7.90%	49.1%	100
Hydro Quebec	1.90%	2.90%	1.20%	0.35%	-0.40%	-0.50%	2.41%	4.30%	2.90%	0.70%	0.70%	17.6%	106
BC Hydro	2.10%	0.83%	9.28%	7.29%	7.77%	7.07%	1.44%	9.00%	6.00%	4.00%	3.50%	75.7%	132
SaskPower	4.20%	0.00%	8.50%	4.50%	0.00%	0.00%	4.90%	5.50%	5.00%	5.00%	3.50%	49.2%	156
New Brunswick Power	5.90%	3.00%	3.00%	3.00%	0.00%	0.00%	2.00%	2.00%	1.60%	1.66%	1.77%	26.6%	162
Nova Scotia Power	3.80%	0.00%	9.30%	0.00%	6.05%	8.70%	3.00%	3.00%	0.00%	-1.00%	1.50%	39.4%	205

* This index is based on the Edison Electric Institute Survey and compares the average price per kWh for the various utilities. Manitoba Hydro's average price is \$0.0648/kWh in Canadian dollars based on 12 months data ending December 2016.

Residential Monthly Bill Comparison

In 2018/19 – Residential Consumption 1,000 kWh/month



Domestic Rate Strategy

Recent PUB Board Orders

- On [May 5, 2017](#), Manitoba Hydro filed its 2017/18 & 2018/19 General Rate Application with the PUB. In this filing, Manitoba Hydro is requesting approval of a 7.9% rate increase effective August 1, 2017 and a further 7.9% rate increase effective April 1, 2018.
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Domestic Rate Strategy

Future Plans

- MH will continue to request domestic rate increases in support of the Finance goal in the [Corporate Strategic Plan](#) to “maintain a strong financial structure.”

Questions?