

REFERENCE:

GSS-GSM/MH-1-1

PREAMBLE TO IR (IF ANY):

In response to GSS/GSM IRs, Manitoba Hydro provided a schedule of historical utilization rates for Bipoles 1 and 2.

QUESTION:

What impact does Manitoba Hydro anticipate that the commissioning of Bipole 3 will have on Bipoles 1 and 2 levels of utilization?

RATIONALE FOR QUESTION:

RESPONSE:

The in-service of Bipole III will significantly reduce the HVDC loading on each Bipole, resulting in lower utilization factors and lower transmission losses. Assuming same operating conditions of the existing NCS generation, the utilization factors of Bipole I and II are expected to be about 60% - 70% of the current values.

REFERENCE:

GSS-GSM/MH I-3a-c

PREAMBLE TO IR (IF ANY):

In response to GSS/GSM IRs, Manitoba Hydro provided a breakdown of Keeyask Incurred Costs.

QUESTION:

Can Manitoba Hydro elaborate on the nature of costs included in 'Other Generating Station Costs' which is the largest cost item accounting for approximately 35% of the cost incurred to date

RATIONALE FOR QUESTION:

RESPONSE:

The 'Other Generating Station Costs' category includes the following:

- Licensing & Planning,
- Infrastructure Project (includes work areas site development, start up camp and main camp phase I),
- Adverse Effects & Operational Employment Obligations,
- Manitoba Hydro Labour & Expense,
- Other Service contracts including Security, Emergency Medical, Employee Retention and Support and Job Referral,
- Other major and minor contracts that are under \$25M in value,
- Construction Power Station,
- Environmental and Social Mitigation, and
- Partnership Implementation.

REFERENCE:

GSS-GSM/MH I-4

PREAMBLE TO IR (IF ANY):

In response to GSS/GSM IRs, Manitoba Hydro provided a description of Keeyask Cancellation Costs.

QUESTION:

Can Manitoba Hydro provide the cost of each of the cancellation cost items listed which sum to \$1.35 billion: demobilization and salvage, short term employee contract buyouts, breakage fees from various contracts, site and environmental remediation, long term environmental monitoring, interest and escalation costs?

RATIONALE FOR QUESTION:

RESPONSE:

Breakdown of the above cost categories cannot be provided as requested as public disclosure would result in the release of information considered to be confidential and commercially sensitive. GSS/GSM should request the PUB's IEC investigate if GSS/GSM wishes to pursue this matter further.

Manitoba Hydro can provide the cancellation cost items forming the \$1.35 billion sum into the following main categories:

- Wind-down (includes the net costs from demobilization and salvage) – approximately \$50 million.
- Contract breakage (all contracts including short term employee buyouts) – approximately \$650 million.
- Remediation (includes site and environmental remediation, long term monitoring) – approximately \$650 million.