

MANITOBA HYDRO



COMPANY STATISTICS

Number of Employees

Approximately 6,200 (2010)

2010 Gross Revenues

\$1.7 billion

Total Assets

\$12 billion (2010)

Market

Manitoba (primary),
Saskatchewan, Ontario, Midwest US

Headquarters

Winnipeg, Manitoba

Year Founded

1961

Ownership

Crown Corporation,
Government of Manitoba

CONTACT INFORMATION

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COMPANY PROFILE

Manitoba Hydro is a Crown corporation, and the province's major energy utility. With its headquarters in Winnipeg, Manitoba, Manitoba Hydro serves over 500,000 electric customers throughout Manitoba and over 260,000 natural gas customers in various communities throughout southern Manitoba. The corporation's capital assets exceed \$12 billion, making it one of the largest energy and natural gas utilities in Canada. As a multi-dimensional energy utility Manitoba Hydro:

Has a total installed generating capacity of 5,000 megawatts

Generates most of its electricity from self-renewing water power provided by 14 hydroelectric generating stations

Exports electricity to over 30 electric utilities through its participation in four wholesale markets in Canada and the mid-western United States

Maintains a position of being among the lowest cost providers of domestic electricity in Canada

Offers a wide range of energy services and programs to its customers directly or through its subsidiaries

Is the major distributor of natural gas in the province serving nearly 100 Manitoba communities

Corporate governance is provided through the Manitoba Hydro Electric Board. Board structure and processes are based on best practices models derived through Canadian, American and British governance models. Board members are appointed by the Lieutenant-Governor in Council.

EXPORTS

Manitoba Hydro has transmission lines connecting with Saskatchewan, Ontario, North Dakota and Minnesota. Manitoba Hydro also participates in "border accommodation" transfers, where it provides power to isolated extra-provincial end-use loads such as those of the Northwest Angle in Minnesota.

Manitoba Hydro is a member of the Midwest Reliability Organization (MRO), a region of the North American Electrical Reliability Council (NERC) and successor to MAPP (Mid-Continent Area Power Pool) since June 15, 2004. Manitoba Hydro continues its membership in MAPP, and retains its function as a generation reserves sharing pool.

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Export of electrical energy has been regulated since 1907 in Canada. Since 1959, the National Energy Board has licensed exports, based on the criteria that the exports are surplus to domestic need and that the price charged is reasonable and in the Canadian public interest. Similarly, exporters of power from the United States into Canada require a United States Export Authorization.

Manitoba Hydro's business model develops and utilizes energy export sales (electricity) as a means to sustain competitive domestic electricity rates.

MANITOBA HYDRO PLACE

Manitoba Hydro Place is Manitoba Hydro's new headquarters in downtown Winnipeg, located at 360 Portage Avenue. It is the 4th tallest building in the city at 112.5 metres to the top of the solar chimney, with a total of 22 mechanical floors and street-scaled podium which ranges from two to three storeys.

Construction of a downtown headquarters building was part of the purchase agreement between Manitoba Hydro and the City of Winnipeg for purchase of the former Winnipeg Hydro city-owned electric utility. The building is one of the most energy-efficient buildings of its size in North America, consumes 65% less energy than the national building code requirements. The building was winner of the Council on Tall Buildings and Urban Habitat's (CTBUH) 2009 Best Tall Building Americas award. The CTBUH stated that Manitoba Hydro Place "was designed to be completely site specific. The design could not be transplanted to another city and still work, thus making it the perfect response to the seeming homogenization of the world's skylines."

MANITOBA HYDRO ROLES AND SERVICE OFFERINGS

Electricity Production and Distribution

Manitoba Hydro is a completely integrated electrical utility (generation, transmission and distribution) that provides electricity to domestic residential, commercial and industrial customers.

Natural Gas Distribution

Centra Gas is a wholly-owned subsidiary of Manitoba Hydro. Centra Gas provides natural gas to 239,534 residential and 24,767 commercial and industrial customers in Manitoba.

Power Smart Programs

Power Smart is Manitoba Hydro's strategy to promote energy conservation and efficiency opportunities. Power Smart programs include low-cost/no-cost ways to reduce energy consumption and offer special incentives and services to encourage implementation of energy efficient upgrades, innovative energy solutions, engineering services and alternative energy applications in addition to the adoption of energy-wise habits. Specialized programs are available to residential, commercial and industrial customers.



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Other Business Interests

Manitoba Hydro has several commercial business ventures within its corporate portfolio including Manitoba Hydro Utility Services (MHUS), Manitoba Hydro International Ltd. (MHIL), Canadian Gas Services International (CGSI), Manitoba HVDC Research Centre, W.I.R.E. Services and Manitoba Hydro Telecom (MHT).

COMPANY HISTORY

Winnipeg Hydro, Winnipeg Electric Street Railway Company and the Manitoba Hydro Commission all built extensive hydroelectric generating facilities on the Winnipeg River between 1916 and 1928. In 1949 the Province set up a new utility, the Manitoba Hydro Electric Board (MHEB). In 1953 the MHEB acquired the assets of the Winnipeg Electric Street Railway. The MHEB was tasked with bringing electric power to the rural parts of Manitoba (completed 1956). By 1955 there were three utilities in the province:

Manitoba Power Commission (Provincial Government)

Manitoba Hydro-Electric Board (Provincial Government)

Winnipeg Hydro-Electric System (City of Winnipeg)

In 1957, the first transmission line between Manitoba and Northwest Ontario was installed. In 1960, a 138-kV connection to Saskatchewan Power Corporation was completed, and later upgraded to 230 kV.

The Manitoba Power Commission and Manitoba Hydro-Electric Board merged in 1961 to form Manitoba Hydro. The early 1970s marked the installation of tie lines between Manitoba Hydro and utilities in Ontario, Saskatchewan and Minnesota. Interconnection with the American utilities (Otter Tail Power, Northern States Power, and Minkota Power Co-Operative) were used as a means to supplement Manitoba's electricity needs. These interconnections have evolved, developed and expanded as a primary foundation growing Manitoba Hydro's electricity export business. In July 1999, Manitoba Hydro purchased the natural gas distribution company Centra Gas Manitoba followed by its September 2002, purchase of Winnipeg Hydro.

CORPORATE LEADERSHIP

Scott Thomson, President and Chief Executive Officer

