

PUB decision an eye-opener

Dear Sir:

On May 30, 2011, when speaking to the Legislative Committee on Crown Corporations, Hansard records show Minister Responsible for Manitoba Hydro Rosann Wowchuk had this to say about Manitoba Hydro. "Hydro is an engine at the heart of the Manitoba economy" and "Manitoba Hydro is in its strongest financial position in its 57-year history" and "it's no surprise Manitoba Hydro is doing exceptionally well as our biggest public-owned asset ..."

On July 29 the Manitoba's Public Utilities Board decision to deny Hydro's request for an August 1 rate increase for Manitobans, paints an entirely different picture of Hydro. Here are a few of the many illuminating quotes that can be taken from the Order:

"It has become very clear that a major risk is associated with MH's planned 'decade of investment' ..."

" ... while the planned new export contracts bring significant obligations they, perhaps, do not produce enough assured revenue to avoid higher domestic rate increases than may be acceptable."

"Yet despite all the changes that have occurred since MH developed and put into action its preferred development plan, which counts on new export contracts, changes which also extend to the rise of the Canadian dollar to above par with the respect to the American dollar, and hyper-inflation with respect to major construction projects, MH has not changed its 'game plan'."

"The main question before this Board is whether MH's 'game plan' will require higher domestic rates than MH projects. At this point, and with the information that MH has provided the Board, while the 'jury is still out', the Board has serious concerns".

There are many more references in the decision about Hydro's financial stability and about the impact on domestic rates of its plans to build Bipole III, Keeyask and Conawapa. The reality about Hydro is far different than the NDP government would like Manitobans to believe. Through only 12 years of meddling in its affairs, Premier Selinger's government has taken Hydro from a well-run organization to one whose financial future is suspect. How much more evidence do Manitobans need to realize that it is past time to unburden our province from a bunch of meddlers who assume that they are more competent and better able to run the corporation than Hydro's specialists?

Dave Ennis, Winnipeg