

EJ910E

MANITOBA HYDRO
INTEROFFICE MEMORANDUM

FROM Ken Adams
Senior Vice-President
Power Supply

TO Division Managers
Kim Cooper
Terri Beaudoin

DATE 2011 09 27

FILE

SUBJECT CEF 11

EC is just finalizing our review of this year's CEF and it is clear that we need to take drastic actions to reduce expenditures in the next 2 years.

I will be away the week of Oct 24 so we will have to re-schedule the Capital Review Meeting to the week after (Terri?).

In preparation for this meeting, please assume that we will defer or delay work on the following projects. Also, please note any risks or implications – assume that we will remove from service any equipment or system that is considered to be unsafe for operation.

PPD/NGC PROJECTS

Keeyask G.S.

Delay all expenditures as much as possible while protecting the December 2019 ISD and maintaining separation between the Infrastructure and Generation projects.

Conawapa

Delay all expenditures as much as possible while protecting the Fall 2025 ISD.

Pointe du Bois Spillway Replacement

Defer ISD to 2016.

Keewatinooow and Riel Converter Stations

Delay all expenditures as much as possible while maintaining the 2017 ISD. Look at staging with Conawapa 2025. Look at options if TL ISD delayed by 1 year.

PSO PROJECTS

Ontario Firm Import Upgrade

Defer by 5 years to 2018.

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HVdc PROJECTS

Defer or delay as per email from John McNichol to me September 20, 2011.

Dorsey Relay Building

Look at possibility of deferring upgrade.

Sync upgrades

Look at possibility of deferring balance or waiting for problems to occur.

ESD PROJECTS

Kelsey G.S.

Defer installation of Unit #7 for 2 years.

Great Falls

Delay awarding all further contracts for 3 to 4 years. Receive ordered equipment and mothball.

Pine Falls

Delay awarding all further contracts for 3 to 4 years. Receive ordered equipment and mothball.

Pointe du Bois Powerhouse Rehab

Delay awarding all further contracts for 3 to 4 years. Receive ordered equipment and install where part of the supply contract. Minimize powerhouse safety expenditures to the absolute minimum.

A handwritten signature in black ink, consisting of a stylized 'K' followed by a wavy line.

KRFA/dn