



MANITOBA ECO-NETWORK

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Honourable Cameron Friesen
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Re: Manitoba Hydro's Integrated Resource Planning Process

The Manitoba Eco-Network (MbEN), Manitoba Energy Justice Coalition (MEJC), Sustainable Building Manitoba (SBM) and Wa Ni Ska Tan Alliance of Hydro-Impacted Communities are sending this letter to share our concerns with Manitoba Hydro's integrated resource planning process, and proposed changes to this process in Bill 36, *The Manitoba Hydro Amendment and Public Utilities Board Amendment Act*. We have been involved in the public consultation process for Hydro's new Integrated Resource Plan (IRP) since it started and were engaged in the Committee Review process for Bill 36.

We are concerned that Hydro's IRP is not going to meet the basic requirements of good practice for integrated resource planning, with the following primary concerns:

- The Key Inputs should be founded on well researched supply and demand forecasts, including different forecasting scenarios. While the most recent consultation had some additional information related to supply, the demand is not broken down by sector, and several important factors appear absent. It is important to understand how the energy demand of major sectors will change based on predicted policies and technologies related to variations of the Key Inputs and selected Scenarios. The relative impact of changes in each major sector provides valuable context in the evaluation and decision process of the IRP.
- The IRP needs to consider outcomes from Efficiency Manitoba, particularly as it relates to demand side management. This is best accomplished by having Efficiency Manitoba be a partner in the development of the IRP.
- In addition to working collaboratively with Efficiency Manitoba, the IRP team should also work with the Province's Climate Change and Energy Branch. This will ensure the IRP is in step with the forthcoming provincial Energy Strategy, providing a cohesive approach for Manitoba's energy future.

- The overall transparency of the engagement process could be improved by clearly communicating with the stakeholders involved in the consultation process and explaining how feedback is being integrated into the process.

Currently the IRP Key Inputs stand as: economic growth, decarbonisation, electric vehicles, natural gas changes, and customer self-generation. Although Manitoba Hydro has indicated this list is not exhaustive, there is still a need to explicitly recognize other important inputs to be considered in the scenarios modeled, including:

- **Demand-Side Management (DSM)**, a major outcome of Efficiency Manitoba's operations, should also be considered as a key input as well as "evaluated as a stand-alone resource and placed on an equal footing with other energy resource options" in keeping with the Wall Commission Report Recommendation #1.7. While DSM has been considered within the set of electricity resource options, the lack of inclusion as a key input ignores repeated suggestions by stakeholders in the IRP and does not represent best practices of energy management.
- **Electricity Exports:** Manitoba Hydro has historically relied on electricity exports as a key source of revenue, for which both supply and demand considerations should be included in the IRP. Treated as a key input, market scenarios for both the import and export of energy would also be evaluated.
- **Buildings** represent a significant portion of the energy demand and GHG emissions in Manitoba and should be identified as a key input. A scenario quantifying the power demand consequences of extensive district geothermal should be included in the analysis related to buildings.
- **Projections of transportation needs and their related investments** should be considered, such as inter-city travel, inner city public transport and active transportation.
- **Customer Self-Generation:** The key input of customer self-generation should include all customer classes, particularly in the areas of industrial and municipal investments.
- **Reconciliation** is an important factor to consider throughout the IRP process given the significant historical impact of hydroelectric development on Indigenous communities, their constitutionally protected rights to land and their access to that land.

We urge the Minister to refer Manitoba Hydro's IRP to the Public Utilities Board (PUB) for review and recommendations under the new section 38.1(4) of *The Manitoba Hydro Act*. It is important to uphold the PUB's ability to provide independent oversight of governance processes that will directly impact the lives of Manitobans and their surrounding environment. Involving the PUB in the IRP process is also critical as the PUB has been recommending Manitoba Hydro develop a robust IRP as far back as the 2014 Need For and Alternatives To (NFAT) process, and has important insights on the process that should be considered before the IRP is approved.

We appreciate your consideration of our comments and recommended changes to Manitoba Hydro's integrated resource planning process. We welcome future opportunities to engage with Manitoba Hydro and the Minister Responsible for overseeing Manitoba Hydro to ensure IRP best practices are utilized and applied so Manitoba's environment and precious natural resources are protected for the benefit of current and future generations.

Sincerely,

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Patricia Fitzpatrick, Ph.D.
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About Our Organizations:

The Wa Ni Ska Tan Alliance of Hydro-Impacted Communities is an Indigenous-led academic research partnership comprised of academics, NGOs, and members of hydro-affected First Nations that have spent the last seven years documenting the adverse impacts of hydroelectric projects on First Nations in Manitoba.

Manitoba Energy Justice Coalition (MEJC) is a community-led alliance of volunteers living in Manitoba committed to climate action and climate justice. MEJC engages people in Manitoba in the global mass movement to advance climate justice. We champion a just transition to environmentally and socially responsible energy sources. Through grassroots community organizing, we fight for far-reaching climate justice measures. We act in partnership and solidarity with individuals and communities working toward a more just world. We believe everyone can be a valuable part of the movement for change, including you.

Since 1988, the Manitoba Eco-Network has promoted positive environmental action by supporting people and groups in our community. MbEN's programming focuses on policy advocacy, engagement in consultation processes and developing capacity building tools that benefit the environmental non-profit sector and our member groups. We are a public interest environmental organization seeking to promote and facilitate good environmental governance and the protection of Manitoba's environment for the benefit of current and future generations.

Sustainable Building Manitoba works to advocate for, educate about and celebrate sustainable building in Manitoba. Energy efficiency and sustainable building are the low hanging fruit of climate action and economic development. We work with our engaged membership to make our vision of "A sustainable built environment in Manitoba" a reality.