



Province of Manitoba

Supporting Memorandum to the “Protocol Among the Members of the Midwest Governors Association Regarding the permitting and Siting of Interstate Electric Transmission Lines in the Midwestern United States”

A. PURPOSE

The purpose of this Supporting Memorandum is to provide formal support by the Province of Manitoba for the principles and objectives outlined in the Protocol Among the Members of the Midwest Governors' Association Regarding the Permitting and Siting of Interstate Electric Transmission Lines in the Midwestern United States. The signing of the Supporting Memorandum recognizes the respective authorities, jurisdictions, and regulatory structures in the United States.

B. BACKGROUND

1. A reliable and low cost electric transmission system is the backbone of a strong economy. A robust electric transmission system is necessary for the delivery of electricity from a variety of electric generation sources to customers throughout the Midwestern United States and Manitoba, Canada.
2. Manitoba's hydroelectric capacity is currently 5000 Megawatts (MW), with the potential to generate an additional 5000 MW. In addition, Manitoba has a world class wind resource and accessible sites.
3. Since the Manitoba transmission system is interconnected with that of the Midwestern United States, we have a common interest in supporting a reliable, robust electric transmission system.
4. Although transmission projects within each Midwestern state and Manitoba have continued to be permitted and constructed, there is additional need for closer cooperation among the Midwestern states and Manitoba on permitting and siting of transmission projects that cross state and national boundaries.

C. IMPORTANCE OF MIDWEST TRANSMISSION INFRASTRUCTURE

1. The Midwestern United States and Manitoba currently have over 200,000 megawatts (MW) of low-cost power generation, including 161,000 MW of coal, 26,000 MW of nuclear, and 13,000 MW of hydro. .

2. Since this power is not always produced where it is needed, a robust electric transmission grid is particularly important to the Midwest because it is essential for delivery of this low-cost and renewable power to customers.
3. Both short-term and long-term benefits accrue from building transmission infrastructure, including a more reliable electric grid, ability to access low-cost generation, more diverse supplies of electricity leading to lower costs, environmental benefits from improved access to renewable generation, economic and job growth, and an expanded tax base.

D. EXISTING WORK TO COORDINATE AND COOPERATE ON REGIONAL TRANSMISSION PLANNING AND SITING ACTIVITIES

1. A regional transmission organization, the Midwest Independent System Operator (MISO), has begun to plan and operate the regional electric transmission system in the Midwestern United States. MISO and Manitoba's crown utility Manitoba Hydro have agreed to coordinate the planning of facilities that have cross-border impacts as specified in a Coordination Agreement between the parties.
2. The Organization of MISO States (OMS), a regional organization of state utility regulators from fourteen Midwestern states and Manitoba, is working to coordinate and cooperate more effectively on state and provincial permitting and siting activities related to proposed transmission projects that cross state and national boundaries.
3. Some of these activities include learning about each other's permitting and siting requirements and exploring ways that state and provincial regulators can better coordinate their respective permitting and siting activities when applications for transmission lines crossing state and provincial boundaries are filed.

E. PROVINCE OF MANITOBA'S COMMITMENTS IN SUPPORT OF THE ACCORD

1. Manitoba supports working with the signatories of the Accord towards a reliable bulk electric system to the extent permitted by, and as appropriate within the context of, each other's powers and authorities. Manitoba recognizes the need for a robust, reliable electric transmission system.
2. Manitoba supports additional investment in the electric transmission grid when such investment is needed.
3. To the extent possible under provincial and federal laws, and considering the rights of all potential parties to electric transmission line proceedings, Manitoba will support efforts to:

- a) improve coordination of and cooperation on the evaluation and processing of applications for electric transmission projects that cross state and national boundaries, and;
 - b) to examine regulatory approval efficiency opportunities through consultation with federal, state, and provincial approving agencies.
4. Manitoba supports a regional, cooperative approach to solving problems associated with improvement of the Midwestern electric transmission grid.

F. ADMINISTRATIVE PROVISIONS

1. Nothing in this Memorandum shall be construed to limit, repeal, or in any manner modify existing legal authorities, rights, privileges, and duties.
2. It is recognized that Manitoba has its own specific powers and authorities that are subject to limitations and constraints and that Manitoba does not have power or authority over matters addressed in this Protocol that fall within the federal jurisdiction.
3. The Premier of Manitoba will share copies of this Memorandum with appropriate state, provincial, and federal agencies with responsibilities for the review of transmission proposals.
4. Should any party to the Protocol withdraw its participation in the Protocol, or should it be amended or modified, the Province of Manitoba agrees to work with the signatories of the Protocol to assess the Province's continued ability to support the Protocol.
5. Upon signature, this Memorandum is immediately effective and Manitoba agrees to have it posted on the Midwest Governors Association website.

Signed, in Des Moines, Iowa, this 16th day of July, 2005.

The Honourable Gary Doer
Premier
Province of Manitoba