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September 12, 2011

Alberta Securities Commission  
Autorité des marchés financiers  
British Columbia Securities Commission  
Manitoba Securities Commission  
New Brunswick Securities Commission  
Ontario Securities Commission  
Saskatchewan Financial Services Commission

c/o:

John Stevenson, Secretary  
Ontario Securities Commission  
20 Queen Street West  
Suite 1900, Box 55  
Toronto, Ontario M5H 3S8

Me Anne-Marie Beaudoin  
Secrétaire de l'Autorité  
Autorité des marchés financiers  
800, square Victoria, 22e étage  
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**Re: Canadian Securities Administrators (“CSA”) Consultation Paper 91-402 –  
Derivatives: Trade Repositories**

Dear Sirs/Madams:

Manitoba Hydro (“MH”) would like to respectfully provide the following comments on the CSA’s Consultation Paper 91-402, entitled Derivatives: Trade Repositories (“CP 91-402”).

**Introduction**

Manitoba Hydro (“MH”) is a provincial Crown Corporation governed by the Manitoba Hydro-Electric Board and the Manitoba Hydro Act. MH owns and operates electric generation, transmission and distribution facilities, and natural gas distribution facilities in the province of Manitoba. MH’s generation portfolio consists predominantly of hydroelectric generation. The

Corporation is headquartered in Winnipeg, Manitoba, Canada.

## **Comments**

### **1. Support for the submission by the Canadian Electricity Association (“CEA”)**

MH would like to express its support for the position paper submitted by the CEA.

### **2. Information to be Reported**

A requirement in the consultation paper is that “Continuation data should be reported throughout the life of an OTC derivative transaction including valuation data and snapshot or lifecycle data depending on the class of OTC derivative.” MH does not support a requirement for end-users to provide their own valuations of a derivative throughout its lifecycle to a trade repository as this requires end-users to provide confidential trade secret pricing information.

With respect to reporting transactions with a trade repository, MH believes that Financial institutions and non End Users should have the responsibility to report the trade before the responsibility falls on End Users.

### **3. Release of Trade Secret Information**

The disclosure of aggregate data by trade repositories to the public may result in the release of trade secret pricing information with respect to wholesale power derivative transactions. Forward prices for wholesale power transactions have periods of limited liquidity and during these periods the disclosure of price information on a real time or daily basis could adversely impact the price of future transactions with other counterparties. Although the CSA is suggesting aggregation of data, the aggregation would need to ensure that it is at a level and on a timeframe which won't compromise an end-users future wholesale power transactions.

## **Conclusion**

MH trusts that the comments presented in this filing will assist the CSA in developing rules for the reporting of OTC derivative transaction data that will strengthen market oversight without unduly burdening the customers we serve. MH appreciates the opportunity to provide comments on CP-91-402 and looks forward to continue working with the CSA on this and future proposals.

Respectfully submitted,



Trevor Jakisch  
Contract Administration Officer  
Manitoba Hydro