

THE ISLAND REGULATORY AND APPEALS COMMISSION

Prince Edward Island Île-du-Prince-Édouard CANADA

Docket UE21008 Order UE07-03

IN THE MATTER of a review of the

Energy Purchase Agreement between Maritime Electric Company Limited, the City of Summerside and New Brunswick Power Generation Corporation

BEFORE THE COMMISSION

on Thursday, the 16th day of August, 2007.

Maurice Rodgerson, Chair Weston Rose, Commissioner Anne Petley, Commissioner

Order

Compared and Certified a True Copy

(Sgd) Donald G. Sutherland

Technical and Regulatory Services Division

IN THE MATTER of a review of the

Energy Purchase Agreement between Maritime Electric Company Limited, the City of Summerside and New Brunswick Power Generation Corporation

Order

WHEREAS, pursuant to the *Electric Power Act* (the "Act"), the Commission has reviewed and considered the October 31, 2006 Energy Purchase Agreement (the "Agreement") between Maritime Electric Company, Limited (the "Company"), the City of Summerside and New Brunswick Power Generation Corporation (NB Power):

AND WHEREAS the Commission engaged the services of KnAP Energy Consultants to assist in the review of the Agreement and to assess and comment on the reasonableness of the assumptions used by the Company in its evaluation of supply alternatives;

AND WHEREAS it appears to the Commission that the assumptions used by the Company and the process undertaken in evaluating supply alternatives were reasonable;

AND WHEREAS the Commission has concluded that the pricing contained in the Agreement compares favourably with other jurisdictions and that the Company's decision to opt for fixed price offerings is reasonable in the circumstances;

NOW THEREFORE, pursuant to the Electric Power Act,

IT IS ORDERED THAT

 the costs associated with the Agreement are deemed to be reasonable and prudent and recoverable through the operation of the Energy Cost Adjustment Mechanism. \overline{DATED} at Charlottetown, Prince Edward Island, this 16th day of August, 2007.

BY THE COMMISSION:

_	(Sgd) Maurice Rodgerson
	Maurice Rodgerson, Chair
_	(Sgd) Weston Rose
	Weston Rose, Commissioner
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_	(Sgd) <i>Anne Petley</i>
	Anne Petley, Commissioner

NOTICE

Section 12 of the *Island Regulatory and Appeals Commission Act* reads as follows:

12. The Commission may, in its absolute discretion, review, rescind or vary any order or decision made by it or rehear any application before deciding it.

Parties to this proceeding seeking a review of the Commission's decision or order in this matter may do so by filing with the Commission, at the earliest date, a written Request for Review, which clearly states the reasons for the review and the nature of the relief sought.

Sections 13.(1) and 13(2) of the Act provide as follows:

- 13.(1) An appeal lies from a decision or order of the Commission to the Appeal Division of the Supreme Court upon a question of law or jurisdiction.
- (2) The appeal shall be made by filing a notice of appeal in the Supreme Court within twenty days after the decision or order appealed from and the Civil Procedure Rules respecting appeals apply with the necessary changes.

IRAC140B(2005/1)