



**THE ISLAND REGULATORY AND
APPEALS COMMISSION**

Prince Edward Island
Île-du-Prince-Édouard
CANADA

Docket UE20722
Order UE13-02

IN THE MATTER of an
application by Maritime Electric Company,
Limited for approval of proposed amendments to
the 2013 Capital Budget

**BEFORE THE
COMMISSION**

on Monday, the 6th day of August, 2013.

Maurice Rodgerson, Chair
John Broderick, Vice-Chair (Acting)
Michael Campbell, Commissioner

Order

IN THE MATTER of an
application by Maritime Electric Company,
Limited for approval of proposed amendments to
the 2013 Capital Budget

Order

WHEREAS Maritime Electric Company Limited (“MECL”) has made application (“the Application”) for certain amendments to its 2013 Capital Budget,

AND WHEREAS the Application of MECL, among other things, requests that the cost of the 10 km 138 kV transmission line (“the Transmission Line”) to access the Hermanville/Clearspring wind farm be funded by MECL and recovered through rates to customers,

AND UPON review of the evidence provided by MECL in support of its Application,

AND UPON accepting that the Transmission Line is necessary to access the wind power to be generated at the Hermanville/Clearspring site,

AND UPON accepting that the Transmission Line should be 138 kV and owned and operated by MECL,

AND UPON recognizing that the Transmission Line has received approval under the *Environmental Protection Act*, R.S.P.E.I. 1988 Subsection 9(1),

AND UPON accepting MECL’s evidence that the use of public right-of-ways has significantly reduced funds required for easement agreements as previously approved in the 2013 Capital Budget,

AND UPON accepting the stated rationale, including the supplementary information requested by the Commission, supporting a reduction in MECL's pole-for-pole replacement program,

AND UPON consideration of the proposed expenditure reductions (\$1,150,000.00) in the 2013 Capital Budget being reallocated to fund the proposed 138 kV Transmission Line;

AND UPON acceptance of MECL's evidence that dynamic voltage control equipment is necessary to address system voltage fluctuations when the Hermanville/Clearspring wind farm comes into production and is expected to double wind generation in the area,

AND UPON understanding that the PEI Energy Corporation will provide offset funding towards the \$2,150,000 cost of voltage control equipment required at the Church Road Substation in order to integrate the wind farm supply into the MECL system, and that such equipment will be owned and operated by MECL,

AND UPON recognizing the public policy objective of accessing additional wind generation for on-Island load;

AND UPON consideration of the provisions of the *PEI Energy Accord*;

AND WHEREAS the Commission, pursuant to the *Electric Power Act* and the *Island Regulatory and Appeals Commission Act* conducted a complete and full review of the evidence filed with the Commission by MECL;

NOW THEREFORE, pursuant to the *Electric Power Act*, and the *Island Regulatory and Appeals Commission Act*

IT IS ORDERED THAT

- The following amendments to the Maritime Electric Company Limited 2013 Capital Budget be approved:

Construction of a 10 km 138 kV transmission line to the Hermanville/Clearspring wind farm	\$1,150,000
Dynamic Voltage Control Equipment	\$2,150,000
Total Additions	\$3,300,000
Easement Acquisitions	(\$750,000)
Distribution Rebuild Reductions	(\$400,000)
Energy Corporation Contribution	(\$2,150,000)
Total Offsets	\$3,300,000
Results in no change to the total 2013 Capital Budget allocation of \$25,333,000	

DATED at Charlottetown, Prince Edward Island, this 6th day of August, 2013.

BY THE COMMISSION:

Maurice Rodgeron, Chair

John Broderick, Vice-Chair (Acting)

Michael Campbell, 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 Court of Appeal 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.

NOTE: In accordance with IRAC's *Records Retention and Disposition Schedule*, the material contained in the official file regarding this matter will be retained by the Commission for a period of 5 years.

IRAC140C-Order-W-S(Nov-10)