



Dockets
UE20722 &
UE20720
Order UE14-04

IN THE MATTER of an
application by Maritime Electric Company,
Limited for approval of a 2015 capital budget,
and capital budget variances for 2013.

**BEFORE THE
COMMISSION**

on Thursday, the 20th day of November, 2014.

J.Scott MacKenzie Q.C., Chair
Douglas Clow CA, Vice-Chair
John Broderick, Commissioner
Michael Campbell, Commissioner

Order

Compared and Certified a True Copy

(Sgd) *Allison MacEwen*

Director, Regulatory Services

IN THE MATTER of an
application by Maritime Electric Company,
Limited for approval of a 2015 capital budget,
and capital budget variances for 2013.

Order

UPON reviewing the application of Maritime Electric Company, Limited (the “Company”) for approval of the Company’s capital budget for the year 2015;

AND UPON reviewing the Company’s capital budget variance report for capital expenditures made in 2013;

AND UPON considering the application, variance report and material filed in support thereof (all of which is posted on the Commission website);

AND UPON following receipt of the application, the Commission published a Notice on its website and in the local newspaper inviting written questions and comments;

AND UPON considering the Company’s responses to interrogatories filed by both the Province of PEI and this Commission;

AND UPON noting that some expenditures planned for generation assets will need to continue until the third transmission cable is operational;

AND UPON noting that expenditures planned on the transmission system include \$3,914,000 for Y-104, a project previously deemed reasonable and necessary by this Commission, and remaining 2015 transmission system expenditures (\$3,776,000) for substation and transmission projects appear reasonable and necessary;

AND UPON noting that expenditures on distribution lines are necessary to continue with the replacement of aged distribution lines, which are reaching the end of their expected life span, and on customer-driven line extensions and highway alterations;

AND UPON reviewing expenditures on corporate services and noting the required information technology and related expenditure plans appear reasonable;

AND UPON noting that 2015 expenditures planned are consistent with inputs according to the PEI Energy Accord Continuation Agreement between the Company and the PEI Government and generally appear reasonable and prudent;

NOW THEREFORE, pursuant to the *Electric Power Act*,

IT IS ORDERED THAT

1. The capital budget application of the Company, filed herein on July 3, 2014 and summarized below is approved; and

2015 Capital Budget Summary	
Corporate	\$944,000
Generation	1,210,000
Distribution	16,774,000
Transmission	7,690,000
General Expense Capitalized	455,000
Interest During Construction	200,000
Total	\$ 27,273,000
Less: Contributions	(400,000)
Total (Net)	\$ 26,873,000

2. Capital budget variances reported to the Commission for capital expenditures made in 2013 are approved.

DATED at Charlottetown, Prince Edward Island, this 20th day of November, 2014.

BY THE COMMISSION:

(Sgd) Scott MacKenzie

J.Scott MacKenzie Q.C., Chair

(Sgd) Doug Clow

Douglas Clow CA, Vice-Chair

(Sgd) John Broderick

John Broderick, Commissioner

(Sgd) Michael Campbell

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), 13(2), 13(3), and 13(4) 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 Court of Appeal within twenty days after the decision or order appealed from and the rules of court respecting appeals apply with the necessary changes.

(3) The Commission shall be deemed to be a party to the appeal.

(4) No costs shall be payable by any party to an appeal under this section unless the Court of Appeal, in its discretion, for special reasons, so orders.

IRAC140A(04/07)

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.