



**THE ISLAND REGULATORY AND  
APPEALS COMMISSION**  
Prince Edward Island  
Île-du-Prince-Édouard  
CANADA

**Docket: UE20944**

**Order: UE19-10**

**IN THE MATTER** of an application by Maritime Electric Company, Limited for an Order of the Island Regulatory and Appeals Commission approving the rates, tolls and charges for electric service for the years March 1, 2019 to February 28, 2022, pursuant to section 20 of the *Electric Power Act*, R.S.P.E.I. 1988, Cap. E-4, and for certain approvals incidental thereto;

**AND IN THE MATTER** of a request by Maritime Electric Company, Limited to approve the Marginal Net Revenue Variables to be used in the Weather Normalization Mechanism for 2019.

**BEFORE THE COMMISSION ON** Thursday,  
December 19, 2019

J. Scott MacKenzie, Q.C., Chair  
M. Douglas Clow, Vice-Chair  
John Broderick, Commissioner

**CERTIFIED A TRUE COPY**

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Jonah Clements  
General Counsel  
Island Regulatory & Appeals Commission

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**ORDER**

**IN THE MATTER** of an application by Maritime Electric Company, Limited for an Order of the Island Regulatory and Appeals Commission approving the rates, tolls and charges for electric service for the years March 1, 2019 to February 28, 2022, pursuant to section 20 of the *Electric Power Act*, R.S.P.E.I. 1988, Cap. E-4, and for certain approvals incidental thereto;

**AND IN THE MATTER** of a request by Maritime Electric Company, Limited to approve the Marginal Net Revenue Variables to be used in the Weather Normalization Mechanism for 2019.

# ORDER

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**WHEREAS** in accordance with Order UE16-04, the Island Regulatory and Appeals Commission ("IRAC" or the "Commission") approved the Weather Normalization Mechanism and Reserve Account on an interim basis only, during the period from January 1, 2016 to February 28, 2019;

**AND WHEREAS** in accordance with Order UE19-08, the Commission approved the further continuation of the Weather Normalization Mechanism and Reserve Account on an interim basis only, until February 28, 2022;

**AND WHEREAS** in accordance with Order UE18-12, the Commission approved the Weather Normalization Marginal Net Revenue Variables (the "WNA Variables") for 2018;

**AND WHEREAS** Maritime Electric Company, Limited ("MECL" or the "Company") has requested Commission approval of the WNA Variables for the period from January 1, 2019 to December 31, 2019;

**AND WHEREAS** MECL has further requested that the WNA Variables for 2020 be filed with the Commission on or before January 31, 2020, as part of the updated financial information to be filed by MECL as ordered in Order UE19-08;

**AND WHEREAS** the Commission has retained the services of Grant Thornton to provide financial advice to the Commission on certain matters, including the WNA Variables for 2019, and the updated financial information to be filed by MECL on or before January 31, 2020, as required by Commission Order UE19-08;

**AND WHEREAS** MECL has provided further additional information to Grant Thornton;

**AND WHEREAS** the Commission has reviewed and considered the information provided by MECL and the advice and recommendations of Grant Thornton;

**AND WHEREAS** the Commission is satisfied that the WNA Variables for 2019 set forth below are appropriate and in accordance with the approved definition of the Weather Normalization Reserve;

**NOW THEREFORE**, pursuant to the *Electric Power Act*, the Commission orders as follows:

**IT IS ORDERED THAT:**

1. The Weather Normalization Marginal Net Revenue Variables for the period from January 1, 2019 to December 31, 2019, as summarized below, are approved:

<b>Approved Weather Normalization Marginal Net Revenue Variables</b>	
<b>Variable</b>	<b>Effective Date</b>
	<b>January 1, 2019</b>
Average HDD Value	4,365
MWh per HDD Coefficient	50.19
Forecast Unit Revenue per MWh	143.70
Forecast Unit Energy Cost per MWh	91.61

2. MECL shall file the proposed Weather Normalization Marginal Net Revenue Variables for 2020 with the Commission on or before January 31, 2020, as part of the updated financial information to be filed by MECL as ordered in Commission Order UE19-08.

**DATED** at Charlottetown, Prince Edward Island, Thursday,  
December 19, 2019.

**BY THE COMMISSION:**

*(sgd) J. Scott MacKenzie*

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J. Scott MacKenzie, Q.C., Chair

*(sgd) M. Douglas Clow*

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M. Douglas Clow, Vice-Chair

*(sgd) John Broderick*

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John Broderick, 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.*

**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.