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Interrogatories of Commission Staff

TO: Maritime Electric Company, Limited

FROM: Cheryl Mosher, Senior Financial Advisor

DATE: September 8, 2020

RE: 2019 Capital Budget Variance Report

DOCKET: UE20731

The Island Regulatory and Appeals Commission (the “Commission”), in assessing the reasonableness of the 2019 Capital Budget Variance Report submitted by Maritime Electric Company, Limited (“Maritime Electric” or “MECL”), requests responses to the following interrogatories:

1. In regards to section 5.5 Line Rebuilds - please provided capital expenditures for each of the subcategories which were presented in the 2019 capital budget. Specifically:
 - a. Single phase & three phase rebuilds,
 - b. Distribution Line Refurbishment,
 - c. C.1 Porcelain Cutout Replacement Program,
 - d. C.2 Eastern Cedar Pole Replacement Program, and
 - e. Supplemental Budget Request – Broadband.
2. In regards to section 5.6 System Meters - please provided capital expenditures for each of the subcategories which were presented in the 2019 capital budget. Specifically:
 - a. Watt-hour Meters,
 - b. Combination Meters,
 - c. Misc. Metering Equipment,
 - d. Outdoor Metering Tanks, and
 - e. Bridge Meters for Load Research.
3. In regards to section 6.1 Substation Projects - please provided capital expenditures for each of the subcategories which were presented in the 2019 capital budget. Specifically:
 - a. Lorne Valley 69KV Switching Station Expansion,
 - b. 15/20 MVA Airport Power Transformer Replacement,
 - c. Substation Engineering & Environmental Assessment,

- d. Substation Modernization Program, and
 - e. 138KV Breaker Replacement Program.
4. In regards to section 5.8 - please provide expenditure details for each vehicle in the 2019 budget.
 5. In regards to section 5.1 - Replacements - Road Alterations - Is the government required to pay for costs incurred due to road alterations or do ratepayers pay for these changes?
 - a. If the government is required to pay for these changes, please include a summary of expenditures as a result of road alterations and the corresponding payments from the province.
 6. Sections 5.1 through 5.4 of the 2019 capital budget appear to be driven by customer demand.
 - a. Is this accurate?
 - b. How much control does MECL have over these capital budget items?
 - c. The variance report indicated a number of these budget items are offset or partially offset with contributions in aid of construction. Do you have the breakdown of contributions in aid of construction to their appropriate category and subcategory?
 7. In regards to section 5.8 – MECL indicated they made a progress payment in 2019 for the 2 aerial bucket trucks. How is it currently recorded?
 8. In regards to the carry forward projects listed in Appendix I - Please provide a breakdown the costs incurred to date for each project and a status update.
 9. In regards to Appendix II – Please provide more details on the Brookside Drive to Hazelbrook Extension and TCH to Mount Herbert Extension. The footnote indicated the project was cancelled however \$640,000 has been spent to date.

Additional interrogatories may follow.



Cheryl Mosher, CA, CPA
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Prince Edward Island Regulatory & Appeals Commission