



February 13, 2019

Ms. Cheryl Mosher
Island Regulatory & Appeals Commission
PO Box 577
Charlottetown PE C1A 7L1

Dear Ms. Mosher:

UE20944 - Amendment to Appendix 11 of the General Rate Application

Please find attached, an amended Appendix 11 to the General Rate Application filed with the Commission on November 30, 2018 (Commission Docket UE20944). In this updated Appendix 11, the annual depreciation of the CTGS reflects the annual rates proposed by Gannett Fleming in the 2017 Depreciation Study and the updated annual amortization of the accumulated reserve variance over the 2019 to 2023 period.

The original version included in the November 30, 2018 filing presented the annual amortization of the accumulated reserve variance over the 2019 to 2023 period incorrectly. The revised Appendix 11 reflects the proper forecast inputs for the Charlottetown Thermal Generating Stations ("CTGS") Proposed Annual Depreciation and Amortization of Accumulated Reserve Variance Deferral Account proposed in rates.

If you have any questions, please do not hesitate to contact me at 902-629-3641.

Yours truly,

MARITIME ELECTRIC

A handwritten signature in blue ink that reads "Gloria Crockett".

Gloria Crockett, CPA, CA
Manager, Regulatory & Financial Planning

GCC04
Attachment

REVISED APPENDIX 11
CTGS Proposed Annual Depreciation and Amortization of Accumulated Reserve Variance Deferral Account
 2019 - 2023

CTGS Steam Production Plant	Original Cost At 12/31/2017	Annual Depr Accrual Amt Per 2017 Study	Remaining Life Amort Period	Proposed Annual Depreciation Rate (%)	Estimated Annual Depreciation (\$)				Total
					2019	2020	2021	2022	
Structures and Improvements	9,006,038	547,357	2.96	6.08	547,357	547,357	525,463	-	-
Boiler Plant Equipment	26,445,980	1,285,317	2.96	4.86	1,285,317	1,285,317	1,233,904	-	-
Turbogenerator Units									
Unit 7	1,954,691	113,005	0.99	5.78	111,875	-	-	-	-
Unit 8	3,909,382	209,582	1.95	5.36	209,582	199,103	-	-	-
Units 9 and 10	15,637,528	796,856	2.97	5.10	796,856	796,856	772,950	-	-
Total Turbogenerator Units	21,501,600	1,119,443			1,118,313	995,959	772,950	-	-
Accessory Electrical Equipment	2,283,113	68,942	2.95	3.02	68,942	68,942	65,495	-	-
Miscellaneous Power Plant Equipment	1,512,887	68,526	2.92	4.53	68,526	68,526	63,044	-	-
Annual Depreciation Accrual - CTGS	60,749,618	3,089,585			3,088,455	2,966,101	2,660,856	-	-
Amortization of Estimated Accumulated Reserve Variance - CTGS					3,249,029	3,249,029	3,249,029	3,249,029	3,249,029
CTGS - Total Annual Depreciation Incl. Reserve Variance Amortization					6,337,484	6,215,130	5,909,886	3,249,029	3,249,029
									8,715,412
									16,245,144
									24,960,556